



Asia Pacific Bulletin

Number 92 | February 15, 2011

Vietnam's Eleventh Party Congress: “Socialist Orientation” and Market Reform

BY NGUYEN MANH HUNG

Many outside observers of the Eleventh Congress of the Communist Party of Vietnam (CPV), which concluded on January 19, dismissed the results as “new wine, old bottle.” There was no major change of leadership, and the same small circle of top leaders simply switched positions and will continue governing the country for the next five years. The CPV still “determinedly and resolutely” adheres to the doctrine of Marxist-Leninist socialism, rejecting any hint of a multiparty system. Delegates to the Congress dutifully approved the leaderships’ choice of Nguyen Phu Trong as the Party’s new General Secretary.

Nguyen Manh Hung, Professor at the Department of Public and International Affairs, George Mason University, explains that after Vietnam’s Eleventh Party Congress “the Party [seems to be] under the leadership of those who care about preservation of the Marxist-Leninist ideology and political stability, but control of the state [is] under economic reformers.”

This Congress followed the familiar pattern of every party congress since 1991: expectations and hope followed by disappointment. The Seventh Congress in 1991 was the first congress after the collapse of communism in Eastern Europe and the Soviet Union. Before that Congress convened, advocates of political reform and democracy enthusiastically expressed their ideas through petitions, open letters, and suggestions to Party leaders, only to be disappointed when the Congress decided to continue with economic renovation, but without any political reform. The same pattern has continued through consecutive congresses. Advocates of political reform in earlier congresses were well-known revolutionary leaders whose credentials could not be questioned. However, many of these older revolutionaries have since died, replaced by younger people who are more Internet-savvy but do not have a strong base within the CPV. Many of these newer political dissidents have called for the rejection of socialism, and some even wanted to form an opposition party to compete with the ruling CPV. However, this younger group of CPV critics had been intimidated, censored, or silenced before the Eleventh Congress.

Despite these crackdowns, pressure for political reform remains within the CPV. Those who now openly advocate for reforms are retired high-ranking officials, intellectuals and technocrats. Within their own circles and in quasi-open meetings, they comment frankly and bluntly about the incompatibility between a market economy and “socialist orientation” and the relevance of socialism in today’s world. They reject the dominant role of state enterprises and call for comprehensive economic and political reforms. They remain CPV members but advocate democratization and substantial CPV reform. They are akin to a loyal opposition without an organization.

There were, however, some noticeable differences between this past Congress and previous ones. While the CPV statute mandates the election of a party general secretary by the Central Committee, not by the entire Congress, demands for more political participation were so strong at this Congress that the vice-chairman of the Organization Commission announced that if Congress delegates wanted to elect the General Secretary directly, that could happen. However, in this instance this did not occur. Furthermore, in previous congresses the Chairman of the Organization Commission had an important role in recommending a list of personnel to be elected to the new Central Committee, but the Chairman’s role was much reduced at the Eleventh Congress. Ho Duc Viet, current chairman of the Organization Commission, was not even re-elected to the new Central



“This definition of a socialist-oriented market may enable Prime Minister Dung to begin the process of reforming inefficient state-owned enterprises, while expanding the private sector to make the economy more competitive without being accused of socialist deviation.”

The East-West Center promotes better relations and understanding among the people and nations of the United States, Asia, and the Pacific through cooperative study, research, and dialogue. Established by the US Congress in 1960, the Center serves as a resource for information and analysis on critical issues of common concern, bringing people together to exchange views, build expertise, and develop policy options.

The *Asia Pacific Bulletin* (APB) series is produced by the East-West Center in Washington. The views expressed in this publication are those of the authors and do not necessarily reflect the policy or position of the East-West Center.

EastWestCenter.org

EastWestCenter.org/Washington

Committee and therefore lost his politburo seat. Without an influential Organization Commission chairman, there was intense internal jockeying among the CPV elite about the composition of the new Central Committee. The list of candidates was originally scheduled to be completed by the 13th Plenum in October 2010, but internal disagreements forced the party to convene two more plenums, one in December 2010 and another in January 2011 to settle the issue.

Intense bargaining on who would be the top Party and State leaders has resulted in some last-minute changes. Consensus at the 13th Plenum that Nguyen Phu Trong would be the new Party General Secretary, Truong Tan Sang the new State President, and Nguyen Tan Dung the new Prime Minister remains unchanged. However, the agreement on the new National Assembly Chair was changed by the 15th Plenum in January: Deputy Prime Minister Nguyen Sinh Hung, instead of Hanoi Party Secretary Pham Quang Nghi, is now the agreed candidate to take that position. Moreover, when one looks at the four newly elected members of the 14-member Politburo who are under sixty years old—Dinh The Huynh, Tong Thi Phong, Nguyen Xuan Phuc, and Tran Dai Quang—one cannot identify an individual who is being groomed to take over a top leadership job when the current leaders retire at the next congress in five years. Unlike China, Vietnamese leaders are either incapable of, or not serious about, grooming their successors to prepare for a smooth transition of power. Without leadership consensus, a preference by the Party elites for a short-term solution was preferred to long-term strategy.

While there was a common desire to redefine socialism at this Congress, there was serious disagreement within the CPV leadership over an appropriate definition of “socialist orientation.” The draft economic strategy calls for the establishment of an economy based on “public ownership of the essential means of production.” Reformers wanted “a developed economy based on modern productive forces with an advanced and suitable production relationship.”

In an article published on January 3, Prime Minister Dung openly stated his position. He explained that a “state economy does not only include state enterprises but also includes other resources owned by the state, such as the national budget, land, natural resources, and monetary reserves.” His minister of planning and investment, Vo Hong Phuc, went further and declared that “Many people maintain that public ownership is the fundamental of socialism. But I think that the fundamental of socialism is social equality and income distribution.” Speaking to the media on the sidelines of the Congress, he affirmed that “the state economy which includes land, national budget, and state properties ... plays a dominant role, *not the dominant role* [Italics added] of the state enterprises or public ownership.” The Congress finally voted by two to one to approve the definition preferred by Prime Minister Dung and the economic reformers. New CPV General Secretary Trong, who had opposed this definition, has pledged publicly to abide by the decision of the Congress. This definition of a socialist-oriented market may enable Prime Minister Dung to begin the process of reforming inefficient state-owned enterprises (SOEs), while expanding the private sector to make the economy more competitive without being accused of socialist deviation. Yet, he will meet with strong opposition from ideological conservatives, as well as from the vested interests of the SOEs.

The Central Committee also voted to increase the representation on the Politburo of the state security apparatus from one to two, and ideological conservatives from two to three. Furthermore, total Politburo membership was reduced from 15 to 14; this is in light of the original intention to actually increase Politburo membership from 15 to 17. The outcome of this Politburo shuffle seems to put the Party under the leadership of those who care about preservation of the Marxist-Leninist ideology and political stability, but control of the state under economic reformers. In summary upon reflection, there have been a number of subtle changes, literally and ideologically, within the leadership structure of Vietnam, the ramifications of which have yet to be fully realized.