Vietnam: From National Liberation to Trans-Pacific Vassal (1975-2015)

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Theme: History

In 1975 the people of Vietnam successfully ended one of the longest and bloodiest anti-colonial wars in world-history – defeating the US, the world's biggest imperial power, after 20 years of struggle.

Barely forty years later the Vietnamese regime signed off on the US-Japanese dominated Trans-Pacific Free Trade Agreement (TPFTA), which essentially converted Vietnam into a vassal state.

Vietnam has gone full circle: From a neo-colony ruled by puppet dictators backed by an American occupation army involving 500,000 troops from 1955-1975, to its current 'Communist' rulers who have turned-over its markets, industries, ports, resources and labor to the 500 largest Western and Asian multi-national corporations.

Contrasting Historical Moments: 1975 and 2015

In 1975, the revolutionary government closed all US military bases and expelled all US military personnel. Today the Vietnam '*vassal regime*' allows US naval visits and signs military agreements to tighten the imperialist military encirclement of China.

In 1975, the revolutionary leaders promised to end imperial exploitation of plantation and factory labor; today the vassal rulers offer the imperial states cheap labor, at wages less than half that paid to Chinese workers to 'entice' multi-nationals.

In 1975, the government intervened in favor of workers, taking over plantations and factories; today the *vassal state* savagely represses striking workers and outlaws class-based unions.

In 1975, the revolutionary government declared its solidarity with workers' and peasants' struggles around the world; today the *vassals* declare their unconditional support of all of the major imperial organizations – from the World Trade Organization to the Trans-Pacific Treaty organization.

What explains this total reversal of politics and allegiances? What accounts for the transformation from revolutionary vanguard to submissive vassal of imperial powers? What factors led to the degeneration and decay of a revolutionary movement of millions and the ascendancy of a corrupt and servile political and socio-economic elite? Why did this counter-revolution occur without any major mass popular upheaval?

Stages and Circumstances of Vietnam's Degeneration

Liberated Vietnam facing Military Siege

Internal and external events and forces played a major role in undermining the promise of social transformation proclaimed by the Vietnamese revolutionaries.

Beginning with the US destruction of the economy and Washington's subsequent refusal to pay reparations and vindictive policy of post-war boycott and sanctions, the Vietnamese faced monumental tasks with few financial resources.

The US ground and air war devastated the infrastructure and productive enterprises of the country. Napalm and chemical warfare (Agent Orange) devastated villages and poisoned the rice fields, water and soil. Millions of cluster bombs maimed scores of thousands of peasants.

The US secretly supported the Khmer Rouge, the Cambodian terror regime, in its war on liberated Vietnam. This further damaged Vietnam's shattered economy and diverted scarce resources needed for peacetime reconstruction to military operations.

China launched a border war on Vietnam's northern frontier, increasing the burden on the depleted resources of the Vietnamese state.

The Difficult Transition

The Vietnamese revolutionary government, during the first decade of its existence, struggled to make the transition from a war to a peace economy.

Given the scarcity of resources, skilled manpower and revenues, and under stress to protect its borders, the Vietnamese government attempted to 'socialize' the economy with few personnel and limited external support from the Soviet Union and its allies.

Power was concentrated, political militants and loyalists took command, although many lacked experience or expertise in economic development. Economic recovery was understandably dictated by political and military priorities. Politics was in command – trained orthodox economists were in retreat. The choice was *'red' over 'expert'*.

After decades of deprivation and sacrifice, many cadres sought and obtained access to scarce resources. A privileged elite emerged, especially in South Vietnam, where the US military occupation had spawned a huge black-market economy, and a large stratum of wealthy 'middlemen' who acted as 'brokers' with wealthy overseas Chinese businesspeople, especially in Hong Kong and beyond.

The Vietnamese defeated the Pol Pot terrorist regime at a heavy cost and backed a friendly client regime.

By 1980, China began its transition to capitalism and showed no interest in providing aid or investment to hasten Vietnam's socialist reconstruction. By the mid 1980's, with the ascendance of Gorbachev, Russia cut off its economic assistance to Vietnamese state enterprises, denigrated socialist planning and backed 'market solutions'.

External 'Allies' Promote Internal Enemies

In sum, Vietnam's external allies were moving in a direction, which favored Vietnamese technocrats and '*capitalist holdovers'* from the colonial and neo-colonial period.

The 'new rich', including privileged sectors of the revolutionary regime, took advantage of the 'shortage of capital flows' and the years of shortages and sacrifices to advocate an 'opening to the market' and to promote the entry of foreign capital. This was accompanied by the privatization of public enterprises (dubbed 'joint ventures') and 'incentives' (high profits) to manufacturers, especially from Hong Kong, Japan and Taiwan.

Internal Factions and the Victory of the Capitalist Technocrats

By the late 1980's, four tendencies competed for influence in the Communist Party:

> (1) A revolutionary faction, including some of the historic leaders of the Liberation struggle.
>
> (2) A centrist or reformist faction of privileged officials who sought to protect and promote state enterprises – a source of their own enrichment. They supported the "*partnership*" with foreign private capital supposedly as a supplement to the so-called "socialist sector"'
>
> (3) A third faction of technocrats, who favored the gradual conversion to a private capitalist economy, except in some ill-defined '*strategic sectors'*.
>
> (4) A fourth faction, composed of Western educated and connected economists, who sought and secured submission to overseas capitalist and international financial institutions. They joined forces with the technocrats and privileged, corrupt Party elite

and became the eventual rulers of Vietnam.

The Counter-revolutionary 'Unholy' Alliance

In the course of the following decade, an alliance of technocrats, corrupt and enriched officials (with their families), who had become business partners, and pre-revolutionary elites took control of the economy. By the middle of the 1990's, Vietnam could no longer 'balance' between the USSR and China on the one-hand and Western capitalists on the other. The USSR had disappeared. Russia was in chaos. China was in headlong pursuit of capitalist growth at any cost, through any means, especially via the privatization of major enterprises and stripping workers of all labor and welfare rights.

The Vietnam revolutionaries were 'retired' or relegated to the historical museum as respected but impotent figureheads. They were trotted out on special 'national' occasions.

The '*statists*'-the Party CEOs fought rearguard struggles trying to retain lucrative fiefdoms in public enterprises, but lacked any strategic allies abroad or internally. They had immobilized the working class and had themselves embraced the privileges of power, luxury and corruption – (with few notable exceptions).

By the turn of the millennium, the technocrats and capitalist ideologues had taken full command of economic decision-making. They embraced the politics and economics of '*globalization*' and the insertion of Vietnam into the World Trade Organization (WTO). They cited Vietnam's rapid growth, lauding its abundant disciplined, cheap labor, kept in line by the centralized Party. Communist Party leaders exhibited all the features of the authoritarian personality: arrogant and abusive to the workers under them, submissive and servile to the foreign investors above them.

The Party had become the instrument for repressing outbreaks of industrial strikes, rural protests and public disaffection.

Many of the corrupt officials embraced the '*free market*' to legitimate their corrupt appropriation of public goods and the laundering of illicit earning.

The ideology "*getting rich is good*" pervaded the top and middle echelons of the Party, which was '*Communist*' in name only.

The party-state lost its legitimacy along with its revolutionary legacy. The former colonial enemies, Japan, the US and their allies were eagerly courted as the Vietnamese elite's new 'partners' and mentors for the upwardly mobile technocrats and economists who served them.

With the signing of the Trans-Pacific Partnership (TPP), US imperialism easily secured in luxury conference rooms what they had failed to achieve in twenty years on the battlefield: Total access to all of Vietnam's major economic sectors, a captive labor force without rights or protection and a ruling elite willing to serve as an accomplice to its militarist policy of encircling China.

Imperial Dominance by Invitation

The US political-economic conquest of Vietnam was accomplished by the invitation and complicity of the Vietnamese ruling Communist Party and not by the force of arms, not by a

puppet ruler or a bought and bound 'Generalissimo'.

The main beneficiaries of its vassalage are the Vietnamese collaborators, intermediaries, importers, exporters and labor contractors, who receive legal and illicit commissions for selling out the nation's wealth. This includes a small army of 'service operators', embedded in IT start-ups, Chinese-Vietnamese business associates of Hong Kong sweatshop manufacturers, new university graduates turned business consultants and public officials who 'sign-off' on tax exemptions,and fabricate compliance with labor and environmental protection laws. These are the ones who grow rich in the new 'market economy'.

As the major US, Japanese and overseas Chinese corporations take control of Vietnam's manufacturing, banking, retail and wholesale sectors and local and overseas trade, small-scale local businesspeople will go bankrupt. State enterprise will be sold or closed. Small farmers and peasants will a lose access to credit while cheap imported rice will flood the market and bankrupt local farmers.

Vietnamese workers and peasants, once heralded as the vanguard of the liberation struggle, will be savagely exploited by the *Communist – capitalist 'partnership*'. They are now among the poorest of the poor in all of Asia.

Conclusion

The ascendancy of a pro-imperialist collaborator elite in Vietnam was not inevitable; it was a relatively gradual process, in which the negative external environment gradually eroded the will and capacity of Vietnam's heroic and historic leaders to combine the revolutionary reconstruction with popular democratic institutions following the defeat of the US military. In a repeat of the Imperial Roman scorched and salted earth policy, the US took revenge for its humiliating defeat by leaving a devastated country, refusing reparations and imposing vindictive economic sanctions on the Vietnamese people and nation. The demise of the USSR and China's turn to capitalism forced Vietnam to look for alternative sources of external finance.

Added to these harsh external conditions, difficult internal problems complicated the transition: Vietnam's revolutionary leaders, who were magnificent and victorious strategists of politico-military struggle, were mediocre economic strategists. They turned to the pre-revolutionary Chinese-Vietnamese business elite, linked to Hong Kong, Taiwan, and mainland business families, to navigate the economy.

The young, educated post-revolutionary generation was drawn heavily from privileged families, especially from Saigon; they inexorably adapted and imposed their neo-liberal ideology on the regime.

The marriage of corrupt repressive statist officials to the traditional privileged clans and classes brought the new post-revolutionary educated technocrats to power.

The authoritarian Party elite ensured the de-radicalization of the workers and peasants, the exclusion and repression of leftwing activists and the unhindered application of neo-liberal, pro-imperial economic policies.

The Vietnam experience provides us with several important historical lessons:

The first lesson is the importance of democratizing and socializing production, distribution

and culture following national liberation to check against the post-revolutionary seizure of power by Party and military leaders and to limit the advance of the old privileged classes.

Secondly, the educated classes must serve the interests of the revolutionary masses, and admission to institutes of higher education should favor the sons and daughters of the working class, not the children of the traditional comprador elite.

University students should be integrated into democratic class organization to further and deepen their links to the past and present revolutionary heritage

Public resources should be concentrated on economic and social programs that improve the lives of wage and salaried workers and local producers. The presence of private, local and foreign investors should be rigorously controlled via time- bound agreements.

The administration and decision-making in cooperative, self-managed and local enterprises should be decentralized.

Political education should be based on egalitarian ethics. Anti-corruption, disciplinary committees, elected by workers, peasants, employees, accountants, consumers and environmentalists should be established throughout the economy.

State expenditures on social and private consumption should be balanced with emphasis on public transport, health, education and leisure facilities.

Solidarity and support for on-going liberation struggles around the world should be the rule. Social practice in everyday life should be combined with individual and collective learning of technical, historical, social and literary subjects, which enrich and deepen understanding of the revolutionary roots of contemporary society.

The state should combat the tendency of organized local ethnic groups to serve as agents loyal to foreign regimes. Material and symbolic rewards for excellence should be combined and lifetime accomplishments recognized. Those guilty of illicit economic and social activities, especially those related to nepotism or kin/clan enrichment, should be marginalized and punished.

The post-liberation defeat and reversal of Vietnam's revolutionary gains was not inevitable. Negative lessons should be studied and serve as guidelines for future revolutions. There are grounds to believe that the Vietnamese revolutionary legacy is not dead. The revolutionary grandparents in '*retirement*' can and will transmit their vision and experience of an alternative class struggle to their grandchildren, who are going to suffer savage exploitation, dispossession and de-nationalization following Vietnam's entry into the imperialist Transpacific Partnership Agreement.

Leaders, who have grown rich from the TPP, will face anger and revolt by the Vietnamese masses who are destined to pay heavily for their leaders' sell-out.

The Vietnam's leaders have embraced the aggressive US-Japanese militarist policy against China; this betrayal of the people's struggle will have long-lasting negative consequences.

Once against external and domestic developments will converge – hopefully, this time ushering in a new phase of revolutionary change.

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