

Concluding Remarks

Thuan V. Truong

It is a great privilege for us to have you here. In the last two days, we have gathered a substantial array of perspectives that have challenged, we hope, the most inquisitive minds in this audience.

As host organizations, we would like to acknowledge the precious time that you are taking off from work to be here, and for many of you, this additionally entails a personal financial sacrifice as well. We want to express our deepest gratitude. To the speakers: the time you take away from your very busy schedule to participate at the conference is very precious to us. The prestige you lend by participating is a very great honor for us. We are very appreciative of your dedication.

Where do we go from here? If post communism is a desirable state, what can we do to transition to it? What can we learn from post-communist experiences?

The demise of communism in the Former Soviet Union brought much hope to the democrats. From the Russian Government side, there were champions like Yegor Gaidar, Anatoly Chubais who were in key positions to influence the directions of the Russian economy. In the words of one of the most fervent architects who attempted to tear apart the communist legacy, Chubais was quoted as saying, “I try to act as if I only have two weeks left in office, and I try to think what I can do in 14 days to make sure the Communists never come back”. Shock therapy was applied, and forceful privatization was conducted. The idea was to create a large property-owner class as a best guarantee against a revival of communism. These are very powerful approaches. The transfer of assets, and of power, whether it is in the form of vouchers or “loan for shares”, has largely evaded, however, the general population of Russia. To make matters worse, the process of wealth generation in Russia doesn’t seem to be able to get bootstrapped.

In fact, according to recent reports, Russia’s GNP has plummeted by nearly 50 percent over the last decade (“Who Lost Russia”, Washington Post, September 12, 1999). There was plenty of goodwill, as was discussed earlier, and there was plenty of external aid and investment since Russia is viewed as a strategic partner. As one can see, freedom from communism has brought very little if anything to the Russian people. What went wrong? At least, a couple of reasons can be provided.

- The techniques that were chosen did not match the realities of Russia; they were far too complicated for the common man. For people who cannot manage their cash, a “voucher”, being a unit of ownership of some enterprises, did not yield much meaning but a quick cash relief when they sell these vouchers off. Most of the transferred wealth has been captured by an oligarchy of business tycoons who saw, in this state of chaos, a unique opportunity to enrich themselves. In the Russian landscape, the main actors have only changed their names: they are now called tycoons instead of party

communist members. The story line, however, remains the same: the general population is as poor as ever.

- Following international norms, the support provided by the international community is government-centered - working with the Russian Government to implement reforms. Whether it is about economic liberalization, and other policies, changes are to flow from the top down. The desire to build a democracy by equipping the elite to do the job carries no effectiveness since the elite, without sufficient pressure of its constituents, simply takes care of itself.
- In all these instances, the focus on enabling the general population to fend for themselves is therefore the central dimension that is missing. The equation posed by prosperity remains unresolved because the general population, as a main source and a factor of production, has not been involved as a partner in the production process.

Not so long ago, this central deficiency was in fact very well grasped by the Vietnamese communists. The communists understood that in the farmer's scale of priorities, survival and making it out of poverty are positioned well above any other considerations. They leveraged, very effectively, the energy of the masses and they have made their successful bid for power by claiming that they – and only they - were the reformers. “Land to the tillers” was one such slogan that was promoted. In Vietnam, the farmer was the center of the puzzle. It was true then. It is even truer now. The challenge for us is to be effective in speaking the farmers' language, and convince them that there are better alternatives within their reach. When they become conscious of the basic factors that will allow them to further their future, they will initiate changes.

Farmers are just one component of the equation, although a very significant one. The female population in Vietnam, which constitutes its majority, has still yet to find a voice. From education to health, from privatization to enablement of the population, etc., these issues beg to be addressed. The problems are daunting. There are hard questions to be asked, concrete alternatives have to be found, and the case must be made continually to seek greater effectiveness in our efforts.

We call on each of you, in your area of specialty, to address a specific issue. The defining value of your efforts should be such that, ultimately, your target audience in Vietnam will, on their own, initiate actions that matter to their own welfare. The communist slogan “land to the tillers” was such an extremely effective framework and is a real example for us to emulate.

Changes, however, if they have to have a lasting effect, must come from an honest purpose and plan to raise the status of the general population. The debate has to be elevated.

If we will become successful in this endeavor, we have not only helped to transition faster to the post-communist period, but we have also contributed to building prosperity for the people of Vietnam. Prosperity in Vietnam is, without any question, the most pressing priority facing its people.

Thank you again for being here.