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**COOPERATION IN VIETNAM,
AN ECONOMIC AND SOCIAL NECESSITY
AND EXPRESSION
OF AN IDEOLOGICAL CHOICE**

Speech delivered by
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Mr. President,

Distinguished Members of the SAIGON LIONS CLUB,

I am privileged to talk on a subject which is of concern to all who are interested in the welfare and advancement of the peoples the world over, and in particular in the welfare and advancement of the people of Vietnam : I am speaking of Cooperation. It is an extensive subject indeed, but I'll try to put it in a nutshell, and to consider it in the light of our local circumstances.

The cooperative movement has spread round the world. It never stops extending its empire. Stemming from the inborn sentiment of brotherhood among men, it can be traced back to the olden practices of community labor performed by groups of people working together for the common welfare. However, everywhere and almost in every instance, its appearance has been in response to the pressures of need. We can safely say that cooperation and cooperatives are « Daughters of Necessity ».

A popular response to a definite social and economic situation, Cooperation first appeared and developed among workers and peasants.

In Europe, where the people were confronted by the mechanical and industrial revolution which threatened the independence of the isolated worker and the unorganized labor classes, Cooperation has asserted itself as a constructive force.

In the United States of America, however paradoxical it may seem, Cooperation was born in agricultural rather than industrial surroundings.

In that country, with its high industrial development, the distribution of goods reached such a degree of efficiency that no need was felt for cooperative organizations among the industrial workers. However, for quite a long time, the farmers'

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condition remained quite precarious and it was they who developed the cooperative movement in the U.S.

In Asian countries, Cooperation has been regarded as a reaction of the « tillers of the land » to the expansion of a trade economy. Here, Cooperation has found fertile ground for its dreams of liberation of the peasantry bent under centuries of misery and indebtedness. A spur to group effort, it progressively leads rural people along the path of economic and social progress, helping them by the dissemination of new techniques and more efficient systems of production.

Let us consider the part played by Cooperation in those countries we term as « underdeveloped », though most of them are of old civilizations. They are characterized by two essential facts: first, their natural resources, sometimes immense, have not been developed extensively, and second, their populations are increasing at an accelerated and alarming rate. Rising at last from their century-old lethargy, those countries are eager to join in the modern community of economic advancement. Cooperation offers itself as a device to help them to compensate for the delays experienced and to adapt themselves to the pace of modern life.

Cooperation is, in effect, a formula for socio-economic development, which Viet-Nam has resolved to adopt in order to progressively and harmoniously integrate its growing man-power and its resources into its national reconstruction program.

All under-developed countries crave for a speedy industrialization which would place them on a more equal footing with the advanced nations. There are, however, many obstacles to that goal: the lack of equipment, the low investments of capital, the shortage of technicians, the competition with foreign-manufactured articles, the smallness of the home-market, etc... In Vietnam many previous installations were destroyed during the war years and the splitting of the country at the 17th parallel has deprived the Free Zone of an important part of its mineral resources.

Under the present circumstances, we have deemed it best

to concentrate our efforts on the promotion of cooperatives: consumers' cooperatives, handicraft and fishery cooperatives among others, and particularly on rice-processing and other agricultural cooperatives.

The establishment of consumers' cooperatives in our country has been difficult for various reasons. There is a diversified range of commodities, an absence of commodity standards, transportation is often difficult and costly. But progress has been made in consumers cooperatives particularly with the refugee population and other newly regrouped people.

In Vietnam, the handicraft industry is but a supplemental activity, yet a very important one. It affords the utilization of either the surplus family labor, or the farming labor available for some months during the year.

We have 56 handicraft cooperatives grouping 5,969 craft-man families. Our Government strongly supports their activities by granting them special privileges for import of raw materials and helping them modernize production techniques. A Handicraft Development Center has been established in Saigon for vocational orientation, market investigation and control of the production after the patterns agreed upon for each craft activity.

We all are aware that fishing, especially deep-sea fishing, constitutes an important resource. Yet it is under-developed so far.

The present network of fishery cooperatives includes 76 formations, grouping over 15,000 members. With a fleet of 37,000 motorized fishing boats of which 10,000 belong to the cooperatives, and with the increased use of nylon nets, catches of fish have trebled.

To date, nine fishing ports with fish markets for wholesale dealers have been created. These are located at Vamlang, Vung-Tau, Hamtan, Phanthiet, Nha Trang, Quinhon, Danang and Tan thuongdong (Saigon). In 1961, we expect that the fish markets will be provided with cold storage facilities and 10 ton ice-making machines,

With the Government's support, the fishery cooperatives during the last few years have exported to Singapore over 1,481 tons of fresh fish, bringing in 1,705,842 Str. dollars, while the Dalat Market Gardeners' Cooperative has exported to the same destination 1,766 tons of vegetables valued at 297,875 Str. dollars.

Next let us talk about rice-processing and other agricultural cooperatives.

They are developing rapidly, owing to the Government's energetic action coupled with the enthusiastic support of the population which has come to realize their usefulness. Of the 265 existing cooperatives, totaling 98,810 members with 272,281 paid-up shares amounting to VN\$27,660,807, 119 are rice-processing or agricultural, with 58,794 members and 165,849 paid-up shares valued at 15,710,512\$.

However, their operation has been hindered by serious difficulties, notably by the lack of able leaders and experienced managers. To correct this deficiency, a Cooperative Research and Training Center was created a year ago in Saigon, with help of the US Cooperative League and the United States Operations Mission. Regular and refresher courses have been organized for the benefit of the cooperatives' staff as for young people anxious to make their careers in the growing Cooperative Program. Likewise we are constantly endeavoring to seek improved solution to the many problems of stocking, storage, transport, supply, marketing, etc...

Going one step further than single cooperative systems, we have encouraged the creation of Unions or Federations to group the Cooperatives themselves to strengthen the program by ensuring quality of product, uniform processing and marketing modernization.

The National Union of Agricultural Cooperatives, which includes 52 coops with 40,138 members, has recently set up headquarters in Saigon to deal with problems of supply and transportation and to develop inter-cooperative relations.

The cooperative structure which we have established has exercised a healthy effect on the economic development of the country, especially in the agricultural field. Cooperation has enabled the farmers to improve production, diversify their crops, progressively eliminate the middlemen, and to effectively fight against usury, an evil which had been prevalent for centuries in rural areas.

Besides its direct action, Cooperation serves to support and to implement the various Government programs for economic development and improvement of rural life, such as the programs of agricultural credit, agrarian reform, and land development.

Cooperation also tends to stabilize the market prices of agricultural products, especially paddy for which the lowest market price of a « gia » has been set at 40 piasters. The Cooperatives secure regular markets for producers, who can now avoid selling their products below the official price, particularly at harvest time when prices are lowest and the farmers are in pressing need of money. Recently, the Commissary's Office signed contracts with rice cooperatives to supply an important stock of paddy for the Army (26,749 tons valued at over 72 million for 1959 and 27,709 tons valued at 66 million for 1960).

In a word, through direct action as well as by their supporting effect, the cooperatives have contributed to a great extent to the expansion of economic activities in the country and to the success of national reconstruction programs. They have presented our people, our farmers in particular, with « a most precious capital perhaps the hardest to gain in under-developed countries : experience and know-how in the economic field », said our President NGÔ-ĐÌNH-DIÊM addressing the National Assembly on October 6, 1958.

In underdeveloped countries, the economic and the social aspects are always closely linked together. For Vietnam, especially after a long war, it is essential to reinforce the basic *social substructure* prior to any endeavor for economic expansion. In other words, it is essential to consolidate the producers' individual action before initiating any collective development action. In keep-

ing with that concept, cooperation functioning simultaneously with agricultural credit, has helped first to resettle displaced people and Northern refugees and to stabilize the poor farmers.

To achieve maximum efficiency, national reconstruction programs must be implemented with both the economic and the social aspect in mind.

In the countryside, the traditional economic and social life operates within a narrow circle composed of so many rural communities, with so many exclusive societies and tight economies. Now we are to break that narrow circle, and enlarge stage by stage the cooperative circuit, extending it to intercommunal and interprovincial dimensions and finally to a national scope. Toward that end, there has recently been created Farmers' Associations, which are rural cooperatives with multipurpose activities at different operational levels.

These are looked upon as economic and social units where the farmers work together to raise their general standard of living on the social, cultural and moral planes. Besides their economic activities such as : supply, processings, marketing, etc... farmers associations' members undertake social activities to improve their traditional ways of living ; housing, clothing, food, public sanitation, education, etc...

We now have 4 Provincial Farmers' Associations, 84 at the district level and 650 village F.A.'s. There are 261,996 members, divided into 8,854 basic groups which constitute the foundation of the cooperative structure of the country.

A factor of economic and social progress, Cooperation is also intended to consolidate the democratic strength of the Nation.

By their organization-type and structure, by their instrumentalities, by the qualifications required of members, cooperatives are regular *schools of civics* where our people acquaint themselves with the citizen's duties, with the sense of national discipline and with group action and responsibilities as well.

« One for all, all for one ». Isn't it true that the cooperative motto embodies the very spirit of Democracy ?

It is said Cooperation confers on us the most precious part of what it owns: *a way of living*. It develops responsible men anxious to contribute to the common good and to raise their individual dignity through their collective efforts.

Accordingly, we have for these past years intensified our effort to impart to the public the sense of Cooperation and cooperative practice. We have encouraged the creation of structural Cooperation units wherein farmers as cooperators learn together to see, to discuss and to appraise. As small centers of popular education, those units constitute the first links of a nation-wide system for the dissemination of new ideas and techniques among the rural people.

In our country, cooperatives do not discourage individual undertakings nor do they cause them to lose their identity. They rather strengthen their autonomy and their independence by associating them into a democratic coalition. Far from leading to a disrupting of traditional ways of living or causing disruptions in rural circles, cooperatives constitute the natural *extension of the home and the farm*.

Taking root in popular surroundings and stemming from the village communities, cooperatives are an internal part of the very life of the people. They bring to the farms more and more new scientific conquests, better and better organizational techniques. By acquainting people with cooperative managerial practices, they infuse into the economy the very essence of Democracy.

Spreading throughout the country, cooperatives function as many « small democracies » composed of producers and consumers who, on equal footing, work together freely in group actions and joint decisions. Autonomous, yet not isolated units, they constantly interrelate through their federative organizational structures. By giving each his chance and by favoring the access of all to a better life, they establish an authentically democratic economy.

At times there can be found a number of moody spirits who take offense at privileges granted to the cooperatives such as sub-

sidies, preferential tariffs, and exemption from certain taxes. They imagine that such privileges are weapons for unfair competition with other economic sectors. They should be reminded that the Government of Free Vietnam is a popular Government of good will and that Cooperation is a popular movement, a means of strengthening the weak. It is vitally important that the State support the benighted masses and free them from the tyrannies which have crushed them for centuries. The temporary privileges granted to cooperatives have but one purpose — and that is to enable them to get a start in this program of self-supporting rural development. It should also be noted that successful cooperatives increase the rural purchasing power thus creating new markets and contributing to the general prosperity of the nation.

In short, the economic policy of Vietnam aims at realizing a harmonious growth of all regions and all economic sectors of the country for the indispensable maintenance of the national stability and growth. In the cooperative field as well as in other sectors, our Government makes a point of offering to the people an economic and social solution and at the same time a humanitarian solution to their problems.

At this point, I feel that we will all agree with Mr. Murray LINCOLN, Chairman of the US Cooperative League. When addressing a general meeting of cooperatives recently convened in New-York, he noted that too often Cooperatives have been looked upon as nothing but economic units. Let it be said here that successful cooperatives are bound to improve not only the economic life of the people, but also their social and spiritual life.

Cooperation is based on a formula for democratic organization of the economy. It is also a significant force of moral rearmament and social revolution, integrated into the reconstruction programs of many countries where it regenerates the basic human texture.

In most Asian countries Cooperation has been considered as the expression of an ideological choice. Reaching far beyond mere material ends, Cooperation revitalizes their traditions of soli-

clarity and their old assets of civilization to forge *new humanism* founded on free association and community development.

Reflecting the profound aspirations of our people, Cooperation helps to realize our national ideals for the establishment of the Common Good and the active respect of the Human Person.

Contrary to the totalitarian system which, in the Communist Hell, consecrates the grasp of the State over private undertakings, our cooperative system is founded on the universally acknowledged principles of liberty. Faithful to the personalist doctrine advocated by the Chief of State, granting pre-eminence to the Human Person, his dignity and his rights, it aims at promoting the active and enlightened participation of all strata of the population to the common endeavor toward well-being and progress. A humanitarian solution and an asset of civilization, as well as a factor of peace, cooperation asserts the will of the people to build a new order founded on Solidarity and Brotherhood.

Mr. President.

I have tried to expound some concepts and especially review some present and future developments of Cooperation in Viet-Nam.

While the achievements spoken of are not too eloquent by themselves, they testify to the will of both the people and the Government to go ahead, confident as they are in the constructive value of Cooperation and its expanding forces for the promotion of Economic Efficiency and Social Justice.

I conclude by quoting our beloved President who, addressing the National Assembly on October 6, 1958, said : « Our society is founded on two solid pillars, the Family and the Village. We must complete that traditional socio-political binomial by adding a third term, the cooperative organization, an economic cell entrusted with the task of ensuring adequate material conditions for the harmonious existence of the familial and administrative cells of the Nation ».

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