

Analyzing Correlations Between Post-Communist States and Sustaining  
Collectivist and Individual Sociopolitical Thought

Jack Weber

Dr. Rey

April 29, 2019

## Introduction

How does a post-communist society affect the likelihood of the current state of individualism or collectivism within the population and ideology of the country?

Although countries such as Vietnam, the USSR, China, Germany, Cambodia, or others have made an attempt at socialism, it has failed repeatedly, yet many of these countries still revolve their society around collectivist aims and socialist economic policies. This research paper intends to delve into post-Communist societies that have still kept with collectivist and socialist social and economic norms and why and what effect this has on the political economy in their country and as these countries represent themselves in the global arena.

The role of the state in any society is always of integral concern as these powers in the past all over the world and across multiple sociocultural dimensions, some leading to prosperity, others leading to totalitarian dictatorships and the loss of millions of lives. Although much of the latter half of the 20<sup>th</sup> century much of the world lived within 'mixed economies' though many neoliberals sought to reintroduce a market-centered system, and is thought to be a politically powerful actor on the world stage and that market outcomes generally are a net positive for the 'collective will.' (Chang 3-4). Many other countries such as Vietnam that failed as communist states, still to this day praise leaders such as Ho Chi Minh, and like many other Eastern Asian countries, follow a more collective based social system, though are aware of the short comings as well. For example, while Vietnam has encountered market reforms, and the imperialist war from the propagandized US during the 1970s, the country remains socialist but is forced to

implement capitalist strategies that have had a positive effect on the nation as a result, though the society still enshrines the socialist ideal. (Sherman).

This paper focuses on the social, cultural, and political aspects of many failed communist states that have adopted socialist economic systems or have maintained a collectivist system despite shortcomings of their past and will delve deep into the factors such as philosophy and religion, and other influences on these cultures. Research has found that while many countries have adopted a collectivist system, laissez faire capitalist strategies on improving the economy have almost always had net positive results on society as a whole, and this paper aims to discuss the understandings of the people and the state of many of these nations that follow this doctrine. (Mangum, 45).

## **Literature Review**

This section on the role of socialist and collective behaviors in post-communist societies will focus on:

- the role of the state;
- the role of international relations and globalized trade;
- social and cultural roles in collective societies across various dimensions;
- social and cultural practices that enforce these economic beliefs;
- where capitalist policies have been used today in these societies;
- and the success of capitalist versus communist systems and comparing the two in governmental policies.

### *The Role of the State*

In a collectivist society, the government maintains to enforce laws that prohibit the possibility of an upper class that would create inequality within the country and destroy their value system upon equality. The power that the government has over the economic system to prevent this from happening often is constructed in a very socialized mindset, and the role of the distribution of power, the national interest, and the grip that the nation has on overall order within the state plays a very important role within those operating within the global arena. The role of the government in taxation and wage control is central to the GDP of the country and the overall performance of the economy and well-being of the people. Where this has occurred in the past such as China, Latin America, and African Countries, the weak private sector, the monopoly in the political system, and the distortion and control over currency manipulation has led to hardship and strife among the populations that inhabit these nations. (Fischer et al., 1). The lack of private property and enhanced social or public property has prohibited the growth of many industries and the incentive of the companies that may compete over certain goods or properties is absent, therefore providing less valuable goods or property offerings to the people. The cap on the amount a person can make in certain countries such as in China where there is a “brain drain,” where the higher earners that tend to provide much service to society such as doctors or engineers, leave the country to find where there may be better pay and a better life. (Broaded, 277).

The role that these collective governments place on societal standards, values, and laws, any extra work done by the individual would go to the government to ensure financial equality among others that may have engaged in less work or labor. Frank Parkin, a sociologist with an interest in socialism, has stated after a comparative study of inequality in capitalist and Soviet bloc countries, “egalitarianism seems to *require* [sic] a political system in which the state is able

continually to hold in check those social and occupational groups which, by virtue of their skills or education or personal attributes, might otherwise attempt to stake claims to a disproportionate share of society's rewards. The most effective way of holding such groups in check is by denying them the right to organize politically or in other ways to undermine social equality." The suppression of civil liberties, while given equality among the people, has detrimental effects on incentives to work, be an entrepreneur, or innovate. This having a rippling effect on the population as the suppression of climbing a socioeconomic ladder, so to speak, coupled with no incentive for competition, leaves countries in states of turmoil, and low quality of life.

### *The Role of International Relations and Globalized Trade*

Collective societies that place emphasis on the equality of its people within its borders and the protectionist policies that often would ensue as a result of national interest would be very difficult to embrace in the modern world where increased levels of technology and trade would infringe on their boundaries. The internet and other new forms of technology that have evolved in the past several decades have had massive effects on trade, and private ownership. To be able to compete with the products from around the world which have had an effect on the prices and quality of goods which a non-competitive government influenced market will have very little to compete against, leaving much of their country in the dust while the rest of the world progresses at a continually expanding rate, or for the market to be able to work with the government which would play an institutional role to oversee trade, supplement markets, or facilitate incentives. (Holcombe, 5) (Cohn, 78).

For example, in countries such as North Korea, the government overwatches every person at all times, they cannot say or do anything that is against the interest of the government or would be killed or sent to a labor camp. Other countries may not have access to North Korea

nor trade with them, as a result of these protectionist and radical totalitarian policies, the people there are starving, and have no freedom of thought, otherwise it would as a result consider them within the system as an enemy of the people. The lack of competition and complete control of all industries by the government leads the people to survive in terrible conditions, starving, in low-paying jobs. (Margesson, 6). Though, on the other side of the border, there is South Korea, where bright lights, high quality of life, and advanced trade and technology can be seen from space. The difference between these two and their connections to global trade and freedom within these states are remarkably different and can be observed looking at the brightness of the two by any observer on Google Maps at night, physically detailing the difference to any such observer from around the world.

#### *Social and Cultural Roles in Collective Societies Across Various Dimensions*

In more European countries such as Sweden and Denmark, socialism has taken a tie around much of these countries, though many argue that the high quality of life and GDP is due to the socialist policies, much of the money that circulates in these countries is a result of the higher earners as well and this being redistributed in taxes. Prior to the 1960s, when the country had few regulations, a free economy, and lots of wealth, Sweden was considered one of the richest countries, though, during the 1960s wealth started to be redistributed, and during the following decades many of the entrepreneurs left Sweden and the wealth nosedived. Since then, the country has shrunken its government, reduced regulation, spending, and welfare programs. Through high taxes today, much of the country is provided benefits, and provided that much of the country is homogenous, and the free health care system has limited resources and unlimited patients, many are still leaving the country, demonstrating a drop in wealth once more. (Henschen, 2018).

The roles of the rich and the poor in European countries dramatically differ from many in Eastern Asian countries. In nations such as China, where communism is practiced, much of the nation's wealth is centered on international trade and production. While there are very low wages, (though equal) to the blue-collar workers in China, there is a large gap in inequality to those who provide global economic benefits and use capitalist methods to increase the wealth of the country, often through offshore banking as well. The price setting within these countries is manipulative of the global economy and has detrimental effects on the population that inhabit China as well. (Guthrie, 20). Ben Bernanke stated that the yuan is, "undervalued . . . to promote a more export-oriented economy", the government's position "frequently directing the central bank to keep the currency at the desired level by intervening in the currency markets on a vast scale, accumulating enormous amount of U.S. Treasury bonds" and this manipulation in the end harms economies of developing countries that compete with Chinese exports such as Indonesia, Mexico, and Brazil. (Wolverson, 2010).

### *Social and Cultural Practices that Enforce These Economic Beliefs*

Due to many philosophies and religions (especially of the Eastern World), such as Buddhism, Jainism, Hinduism, or others that aim for peace within the self and the community, have a massive effect on the populations of these countries, and prove central to their social, political, and economic habits.

In countries such as Vietnam, India, Myanmar, or China, the practice of Buddhism and spirituality focus on the power of the collective unconscious and the habits that society should use to push itself forward in an effort to gain equality and equal opportunity for all. For Western countries, while much of religion focuses on love for yourself and your neighbor, they generally tend to focus on the power of the individual to reach new heights and improve themselves for the

better, this and their positive contributions having a net benefit on the world from a different perspective. The practice of working in aim for the community in a sense of a communist or Marxist system where money is distributed equally, has correlations with Mahayana Buddhism in which “all people are absolutely equal”, this which affects the behavior of the people and the economic system. For example, when Pol Pot left Cambodia for France, and studied alongside the intellectuals there and pondered upon an experiment in which all people in Cambodia may live an equal life, where the people in the countryside doing physical labor may be reconciled by moving the rest of the growing urban economy back into an agrarian economy, where the food and many resources are central to the lives of the people already. However, due the inherent differences in the IQs, physical prowess, and other factors that distinguish one human being from another, led to mass genocide and the monstrosities of ‘The Killing Fields’. (Ngor, 2012).

#### *Where Capitalist Policies Have Been Used Today in These Societies*

Vietnam, a once communist country where it has failed and socialist policies now take place, is an exemplary example to the point of this research paper. As it once failed as a communist state, the social and cultural practices and the will of the people still maintain a very collectivist society, where capitalism is done in the economy and frowned upon (but necessary), communism is valued as the ideal economic system. This being attributed to many purposes such as the leadership of Ho Chi Minh (whom once Saigon is now named after), the Confucianist and folk religions that permeate the culture, and the spiritual and collective teachings in the school buildings within the confines of the nation.

Though, communism has failed in this country and the people are aware of it, while the people preach socialism and communism as taught under their once leader Ho Chi Minh, the growing cosmopolitan city of Ho Chi Minh (Saigon) is growing as a major world trade center,



with large buildings such as the “Saigon Centre”, the skyscrapers that shape the horizon line, and the growing number of cafes and independent businesses, capitalism is becoming the center point for growth and entrepreneurs within the city, which have had major effects on wealth and quality of life. Though, under the flag of socialism that reigns in this country, the inefficient public sector and the massive amounts of money that the government allocates to government programs and health show a clear problem with the state of the economy in this respect to collective pursuits. The growing private sector and the increased wealth gravitating toward the nation has shown to improve the quality of life for its citizens, and “variants of neo-liberalism, neo-conservatism and statism inform the economic reform agenda”, much of the population still leans towards communist and collective traditions. (Greenfield, 4). Due to the power of the government in this country however, “observers have noted that the system so far continues to be characterized by a high degree of bureaucratic centralization and a tendency to retain socialist curricula, even at Vietnam’s privileged National Universities, which technically already had greater autonomy than other institutions since their inception in 1993.” (Trines, 2018).

The power that these governments hold to retain their societies as ‘collective’ and teaching their students the importance of collectivism and socialist intervention, while the students in extracurricular life oversee the direct benefits of capitalism is a focal point in assuming the psychology of the population in this country and the effect this growing economy may have on the future as well.

### *The Success of Capitalist Versus Communist Systems and Comparing the Two in Governmental Policies.*

Although there remains much within the capitalist system to interject upon and criticize, the laissez-faire free market style has definitely had an effect on the growth of developing

countries abroad in positive ways and continues to rise hundreds of thousands out of poverty by the day. As aforementioned in the example of Vietnam using capitalist strategies to alleviate themselves and their population out of poverty and towards development, the power of the individual towards their self and their wishes for a positive future with an incentive for upwards mobility is a focal point to the efficacy of the two economic systems of belief.

Ayn Rand spoke of in her book, “The Virtue of Selfishness”, that the individual and their aims to improve themselves and become an entrepreneur or create wealth has a rippling effect on the society and creates much more wealth to spend and circle around the economy, as well as increased investments. Evolutionarily speaking, there is a reward system within humans that releases dopamine whenever a hard task is completed (such as hunting and gathering food for thousands of years), that guides the individual towards their ambition and goals and rewards the achievement of these. (Sescousse et al., 2010). The communist philosophy that claims that society acts as a collective and must ensure equality in all possible measures for a possible utopian world as advocated for by Karl Marx. Practices such as these as demonstrated in Cambodia, the U.S.S.R., Vietnam, and a plethora of nations around the world, have shown that the inherent differences in people as individuals and the triumphs or the falls that are a part of the diversity across the human experience are very hard to cast aside.

The practices used such as redistribution of wealth by Sweden, or the allocation of the population to the fields in Cambodia, the power of Big Brother or the disapproval of the state in the U.S.S.R., have led to bloodshed, economic downturns, and social oppression by the states. This being said, late-stage capitalism and the interests of big corporations have had detrimental effects on the world as well, though practices are being taken to ensure corporate liability, deaths in India as a result of the Bhopal Nuclear Disaster, and rising levels of inequality, demonstrate

that the systems have their historical footnotes, but each rise from a variation in world perception.

This study will employ a variety of studies across multiple dimensions to understand the state of collectivism in post-communist societies and the power of politics, culture, and society in respect. Research in failed states, role of the state, role of international relations and globalized trade, social and cultural roles in collective societies across various dimension, social and cultural practices that enforce these economic beliefs, where capitalist policies have been used today in these societies, and the success of capitalist versus communist systems and comparing the two in governmental policies will provide a spectrum of research analyses to take into account when coming to full attention to this research question.

## **Theory Section**

Many countries in the world that have followed communist policies for years and have failed still seem to follow collective ideals within their political, social, economic, and cultural structures. Amidst the failures of these systems in these regions, countries such as Vietnam or China are poster children of the positive impact that capitalist and private market practices have had on these nations, highlighting the impact that collectivist and individualist traits that certain economic practices have on the Marxist traits that embody many of these nations. Factors that may stem into these politics and economic systems include philosophy and religion, history, and governmental intervention, etc.

Collectivism is very prevalent in eastern Asian countries such as China, Fischer argues that the lack of private property and enhanced social or public property has prevented the growth of many industries and the caps on what individuals can make has led to a brain drain and loss of

economic opportunities that may benefit the people. Although the Maoist teachings in these countries have led to a more socialized and collectivist society, it is theorized that this brain drain effect (as well as many others), is causing many people to reconsider these collectivist teachings in pursuits to emigrate to countries where there may be more opportunities for them as individuals to live well and thrive.

Furthermore, it is theorized that the impact of Eastern religions and their teachings have more collectivist effects upon their practitioners as many of these studies center on the idea of the collective unconscious. This belief in the goodness and peace of beings within their inner selves, can work with those of others and be used to serve the good of all under the sacrifice of the individual. Although these religions do show improvement within the lives of its practitioners, the implementation on a massive scale across different cultural dimensions can lead to failure of the state and its inhabitants. The spread of a certain belief or philosophy in historical reference has had detrimental effects on the population from places such as Maoist China, to Germany, to Cambodia, Venezuela, and many other nations around the world.

Hundreds of thousands of years ago, humans had developed a reward system for survival and competition, in which the individual who gained the food such as berries or meat would be rewarded and given the chance of survival. (Sescousse et al., 2010). This Darwinist theory of natural selection is one that is rooted in the very core of human evolution and to be cast aside in efforts of heeding this collective unconscious within belief systems. As these systems have failed in the past, countries such as Vietnam, where these collectivist beliefs were implemented under Ho Chi Minh, today are not the same. In cities such as Saigon (or now Ho Chi Minh City), the growth of private investments in places such as the Saigon Centre, or the skyscrapers that line the horizon of the city, is proving that the people are beginning to benefit under the capitalist and

individualist belief systems that are improving the lives of themselves and the wealth of the city and country. The abandonment of the ancient Darwinist evolutionary system has shown to be a testament to the failure of states and the control of its people by the government which leads to stagflation and many economic failures.

It is hypothesized in this study that as the abandonment of collective belief systems has led to the improvement of the economic and cultural facets of society and has an overall improvement on quality of life. Furthermore, it is hypothesized that the implementation of these collective systems have had negative effects on the quality of life of people and the furtherment of human evolution and wealth creation within the population. Controlling for major religions and philosophies of many of these countries, it is hypothesized that the impact of many of these Eastern religions have strong effects on the people of these collectivist countries, and much of the data has shown that these have strong correlations to economic and political policies that relate to the collective pursuits of these governments and people. (Saucier et al., 2006).

In the book, *The Problem with Socialism* by Thomas DiLorenzo, the author speaks of in early Jamestown during the founding days of America, the society followed a very collective style livelihood, where everyone would do their part on the farm and build houses for the betterment of everyone, but as this system failed, starvation, disease, and death swallowed the town. The Virginia Company took notice of this and told the town that they may all create their own farms, where the sweat of their brow would better the individual farm owner and their family, where they may be able to store food, and keep and use it at their leisure, provided that they send the Virginia Company a barrel of corn per season. These changes in Jamestown had led the people to be able to live and thrive, as they each had incentive and could enjoy the benefits of their work themselves. Today, in countries such as Vietnam and China, where the

communist project has failed, the value that the state continues to play on collectivism has failed and the schools of Saigon City, where the teachings of Ho Chi Minh are widely implemented, the hypocritical use of private investments and the increasing size of the private sector has led to confusion within the youngsters of these countries and the failing power of the state over the its people as economic systems clash.

Many post-communist states that have failed in the past but have stayed on track with socialist and collectivist policies have had detrimental effects on their economic sectors as many post-communist counterparts in places such as Western Europe in Germany and elsewhere, that the effect of the individual or collective behavior of the people has strong effects on the communist-like traits and overall quality of life in these countries around the world.

### **Methodology Design**

This study will employ a system design that will measure the effect of collectivism vs. individualism on the communist-like traits of countries. This will explain the culture, societal standards, politics, and economics as they relate to the socioeconomic structure of countries in Eastern Asia, Europe, and Latin America as they vary in region and culture as well.

The control variables will be of region, GDP, income, crime, and a history of imperialism. Region will measure the temperature and history of the area, such as their ancestral roots and connections to modern society, GDP will take into account how much each country makes in production as well as measure the GDP per capita in each as well, income will be measured per capita, crime will measure the current state of peace and inequality in society that may generate different results than a capitalist counterpart per se, and a history of imperialism

will explain and compare countries (such as India) which have been imperialized in the past and as a result have taken to more collective societal standards.

The scales in this study will be measured from zero to five, as such, crime at 0 would be considered little to no crime, while crime at 5 would be considered constant crime (and often violent). GDP at 0 will be considered very low, while 5 would consider the country very productive, GDP per capita at 0 will be considered low for production of a valued good while the opposite may hold a high value on goods produced. Income per capita at 0 will be considered low income, while a 5 may be very wealthy. A 0 on history of imperialism will be considered 'no history of imperialism,' while a 5 may be considered 'very influenced by imperialism.'

The study will also take into account the wealth of the country over time, private business startups, and capitalist interests and investments in the country (portfolio or direct). These will help measure the current state of collectivism in these countries and question the future of the current state of socioeconomics as a result.

The study will employ a parallel system design as well with varying independent and dependent variables, the independents such as religion and philosophy, incentive on personal gain, taxes and income, and abandonment of collective belief systems will vary as they have an effect on parallel dependent variables such as economic and political policies, and the results on the economic sector and quality of life.

As different factors such as region (as monsoons may affect economics in India or another nearby country), GDP and GDP per capita can vary widely (such as the production sector in China or other developing countries), income as it can be measured against GDP and influence the local economies (such as in Denmark), and a history of imperialism (as it may

affect countries like India and their quality of life), the different factors to take into account when comparing the effects of collectivism vs. individualism against the communist-like traits of countries around the world (many being post-communist) and determining the state of sociocultural progress and reflection in each.

## **Case Study**

This case study will determine the effects of individualism and collectivism on a post-communist society such as collectivism increases, inequality decreases. This case study will focus on the countries of Vietnam, China, Russia, and a reverse effect on Venezuela, as well as the comparison of countries North Korea and South Korea, and how socialist or communist policies affect the culture now and how collective or individualist their country is and the current state of economic policies within each respective country.

### *Vietnam*

As Vietnam was once a communist country under the leadership of Ho Chi Minh, it began to fall apart as the inability to feed the citizens of Vietnam under the government, the people began and grew the size of the black market for basic necessities. With some background, Vietnam was communist under the leader Ho Chi Minh who was president from 1949 to 1965 and led the Viet Cong against the Americans and the South Vietnamese during the Vietnam War. Following this and the recession of the United States, the country was unified as the “Socialist Republic of Vietnam”, where agriculture was collectivized and industry was emphasized. The farms were taken over by former Viet Cong military, the farmers were moved to state-controlled cooperatives and the farmers that lived on that land were forced to sell their goods to the government at low prices, otherwise they would not be able to buy fishing supplies to sustain



themselves. The old Southern Vietnamese government and military were forced into reeducation camps (similar to concentration camps) where they were forced to do hard labor for decades. (DePaul, 2005). Soon after, the government prevented transportation of food and goods between provinces unless done by the government, this coupling of bureaucratic inadequacy and the failure of the collective project led to massive food shortages and inability of the population to achieve its most basic necessities as humans. Those who opposed these policies, the government of Vietnam, or the leader Ho Chi Minh and his philosophies were considered enemies of the state who would be harassed by police, expelled from school or were imprisoned. As stated in the book *Animal Farm*, where animals who lived on a farm, took part in a revolution for communism, where a mission of equality later turned into a totalitarian state of inequality, and sparked the phrase, “all animals are equal, but some animals are more equal than others.” (Orwell, 112). Though, the government had muscle power over the basic necessities of the people and their welfare, the black market emerged where food, consumer goods, and banned literature were sold at high prices, and the government was not able to stop it. After many years of escapes from the country, and bribing of government employees, and the COMECON (Council for Mutual Economic Assistance) countries began to take notice of the suffering of the people, such as the 200,000 tons of rice imported just to prevent starvation, the government began to break communist laws and allow leverage for small businesses to grow since the 1990s, and the country has grown to thrive more since allowing a growth in capitalist methods.

Although the state of Vietnam has swayed towards socialism, and away from complete power over the markets in an idealized pursuit to favor the working class, cities such as Saigon (now Ho Chi Minh City) have begun to favor capitalism in projects such as the building of the city center mall, “Saigon City Centre”, and this increasing the level of tourism and money into

the economy (and the growth of a middle class), such as the revitalization of the once famished area, the “Mekong Delta”, into a booming (though still rural) local economy centered around coconut plantations and coconut-based product export all over southern Vietnam. Another example, with the increase of foreign investment in the country, multinational corporations such as K-Mart and 7-Eleven have increased in Vietnam and created employment and have opened hundreds of stores in Ho Chi Minh city by the year 2018. Though as this paper is centered, while the state gravitates towards capitalism economically, the teachings of Ho Chi Minh and the presence of collectivist philosophy is widespread within the schools and population. Since this inception, the poverty rate in Vietnam has dropped significantly from 60% to less than 20% between 1993 and 2004. (Vietnamese Academy of Social Sciences, 2006). As the government is beginning to lose control over the economy to a free market, the dichotomy of the socialist ideology of the population to the growth of a private market generates some questionable traits about the country's economic, political, and social endeavors. The effect of the collectivist and socialist ideology of the people and this effect on inequality and the communist-like traits of the political economic system has shown a regressive correlation as time has passed since 1993. Since the onset of the 1989-1990 stabilization plan, and the bilateral and regional trade agreements (the bilateral trade agreement with the US), which includes millions of dollars being sent in to Vietnam for economic adjustment and development, the GDP of the country has risen dramatically while the egalitarian economic policies have had steady decreases in the country. (Gabriele, 2005).

In reference to the state of inequality in Vietnam, though while collectivism decreases and the free market gains traction, the state of inequality in Vietnam has increased, creating a sense of alertness among the university students, such as the growth in socialist thought in the

Democratic Party in the United States, where according to a Gallup Poll, since the 2016 election and the Bernie Sanders campaign, the positive view of capitalism has decreased 9% in 2016 among democrats. (Newport, 2018). Furthermore, since the implementation of a mixed health care and education system in Vietnam, where people have the ability to choose between a sub-par public healthcare service or pay for excellent private healthcare service shows the growing trend towards privatization though also inequality within the country in relative terms to quality of service. (Allianz, 2019). In a World Bank poll, respondents to a perceptions survey said they support government redistribution policies as a means of reducing inequalities, as the one in every million Vietnamese is “super rich”, and the number has steadily risen since 2003, supporting while not a disparity as large as the United States, has provided an insight on privatization and the strength of the government on financial control and redistribution since the 20<sup>th</sup> century. (World Bank, 2014).

While there has been a decline in economic collectivism in Vietnam since the 1990s, and a growth in private market investment, the income per capita has increased and has given way to one of the largest poverty reductions in world history, as well as quality of life increasing, inequality has risen, showing a decline in collectivism economically. While leaders such as Ho Chi Minh or Mao Zedong have opened countries to socialist and communist practice and thought, the culture and societal standards of various countries differ dramatically, necessitating a need for study on the impact of collectivism and individualism on the sociopolitical sectors of a post-communist society and collectivism on the state of inequality as well.

## *China*

While China has grown into a global superpower in the past several decades as it is evolving from a production into a consumption economy, collectivism in the country has gradually fallen since the implementation of the Communist Party of China in 1947, leading to an increase of inequality thru foreign bank investments as a result of governmental restrictions on income.

Since the rise of communism in the 1940s under the leadership of Mao Zedong, China focused on development through heavy industry as influenced by the Soviets, under the plan, “The Great Leap Forward.” (Brittanica, 2018). “Under the commune system, agricultural and political decisions were decentralized, and ideological purity rather than expertise was emphasized.” (Brittanica, 2018). Similar to the destruction of the kulaks (successful farmers in early USSR, before the October Revolution), the mismanagement of the collective farms and industry led to massive starvation within China and led to the deaths of 20 million people between the years of 1959 and 1962. The birth of two groups resulted: those who blamed the failure of the Great Leap Forward on radical policy implementation by the bureaucracy, and those who blamed the failure on the decentralization of expertise and material incentives within the economy. With his effort to mobilize the urban youth into “Red Guards” (university and high school students) who would crush those who disagreed with Mao’s ability as a revolution leader. This quickly escalated into violence against those who held traditional values such as elderly people and intellectuals, and soon the military took control of the schools, factories, and government agencies. As critics emerged in the subsequent years, and Mao lost control over the dissonance between the Red Guards and the military, different groups emerged, one emphasizing Mao’s ideology on egalitarianism, and anti-intellectualism, while the other focused on economic

growth, educational progress and foreign policy, which Mao had a difficult time balancing the two. (Brittanica, 2018). The latter group, led by Deng Xiaoping soon took power in China and began to focus on more capitalist methods to stimulate economic growth and confidence in the party. Since then, economic reforms have been implemented to allow private sectors grow and foreign investment take fold within the country, and although the government still has a strong arm on the economy and societal interactions (as it is known as the “surveillance state), the economy has grown to be one of the world’s strongest while curiously also maintaining socialist ideologies within the society and political economic structure. (Silbergeld, 2019).

### *Russia*

While under Lenin and Josef Stalin, comparing the Russian Revolution as a communist/totalitarian state to the current socioeconomic structure of Russia, the disparities between a communist system and the state of individualism versus collectivism are highly prevalent.

While under the rule of Tsar Nicholas II, there were large disparities between the working class and the nobility and political class that ran the factories, the gap in inequality between the rich and poor coupled with the hunger strikes, bad living conditions for the working class, and World War I gave rise to the October Revolution, the provisional government took over with Leon Trotsky claiming to be the “legitimate political power in Russia.” (CSUN). Soon after the Bolsheviks took over with Vladimir Lenin at the forefront, who aimed to give political power to the working class, and redistribution of land to peasants in a form of communism. As peasants seized the lands of nobles, and (as similar to the Maoist Revolution), the diminishment

of specialization of trade and expertise in efforts for social and economic equality, gave rise to massive starvation. As this grew into a military dictatorship, the Bolsheviks crushed dissent, but as political instability grew, the “New Economic Policy” was instituted as a return to state capitalism, where property, trade, and farming could be done freely and private, and land was re-divided between the rich and poor, but as farmers were able to trade at market and keep the rest, the proper distribution of grain never reached the cities. Soon, Josef Stalin took power through a coup d’etat, his plan was to increase the pace of industrialization through forced labor and collectivization of agriculture. Those peasants who were successful as farmers (known as kulaks) who refused to give up their land to the government, were violently slaughtered, and their farms turned collectivist. The decline in specialized labor for collective labor led to massive famine and those who disagreed with the ideology of the party were sent to forced labor camps (or gulags), where for minor crimes or false accusations, people were sentenced to decades of labor where they often suffered and died in catastrophic conditions as outlined in the book, *The Gulag Archipelago* by Alexander Solzhenitzyn. In the subsequent decades, and after the death of Stalin in 1953 due to illness and power passed to his lieutenants, Beria, Malenkov, Khrushchev, and Gorbachev respectfully (by timeline, not grace). Following Stalinist techniques, the failure/stagnation of agriculture, industry, culture, and social paranoia as well as the fall of the Berlin Wall, the Soviet Union began to lose support from the Baltic States and the state had fallen in 1991. (U.S. Dept. of State).

Unlike Vietnam and claims of Chinese government however, Russia has changed from communism to crony capitalist to state capitalist since the end of the Soviet Union, although there is much state control over economic activity by the government. Under the collectivist state of the USSR, human psychology was challenged (especially in the gulags) and people were at

each other's throats, as a result of the paranoia of the power of the state, and the collectivist system had failed. The history of the state has made it much more difficult for the country to adapt a state of economic prosperity, and the opportunity for foreign investment in the country as a result of state capitalism. According to inequality research by Simon Kuznets (1955), the transition from a poor agricultural sector to a rich manufacturing sector has led to massive inequality along the socioeconomic stratum. (Lukkari, 9). Furthermore, as a result of increasing inequality, there has been a rise in crime rates, social unrest, and political violence. This political instability can be documented "as a movement between democratic and dictatorial regimes. It is noteworthy, that this approach takes into account the reverse effect of political instability. Thus, political instability does not only encompass violent disruptions experienced by democracies but also the positive developments experienced by autocracies towards democratic consolidation." (Dutt et al., 2008).

Though, while much of the state is encompassed by inequality, the Gini coefficient is regarded at roughly 30%, indicating a high level of social equality in the country. With "the Russian collectivist value system" (RCVS), which predates communism in the USSR back to the 9<sup>th</sup> century, the needs of the group is more important than the needs of the individual, and everyone needs to play a role to ensure the survival of the group. Though the current state of state capitalism is present in modern Russia, the post-communist country has roots of collectivism that date back one-thousand years.

While the state of communism has been on the decline since the end of the Soviets, the RCVS has endured in modern business ethics of the nation. "In fact, managers of state enterprises have neither the institutional authority nor the effective power to implement changes against the workers' will." (Vlachoutsicos, 33). As workers hold between 40-50% of shares in

private enterprises, and though the managers are “in control” by hierarchical standards, the workers still have much power on decisions that may affect their employment and welfare within the state. As such, while there has been a decline in foreign investment due to political instability, the workers still maintain some power over their corporate overlords.

In its post-communist state, the RCVS has proven a constant social standard over the working class and the upper class through centuries in Russia, and although the history of collectivism in the state has remained pertinent across the millennium, the current state of rising inequality holds responsibility upon the political and socioeconomic realm.

### *Venezuela*

Venezuela has been blessed with large oil reserves and while the country has used them in the past for trade and development, the rise in socialism and the improper distribution of oil in the past has led to a failing state and led to massive upheaval upon the global arena. As the history of military and civilian has rocked back and forth over the past century, the impact of collective economic policies and the distribution of oil, have had a negative impact on modern Venezuela.

The country has been leaning socialist since the rule of Carlos Andres Perez, with his policies on no price controls, privatizations, and foreign investment, this coupled with an increase in oil prices and a 30% rise in transportation fare, led to social upheaval and an eventual discovery on corruption and his use of presidential funds for his personal interests. Soon after, Rafael Caldera took office and lowered prices on oil and began implementing regulations on banking, both causing a collapse in government revenues, as well as the privatization of the steel



corporation “Sidor.” Since Hugo Chavez took power since under the United Socialist Party of Venezuela in 1997, his unsustainable spending and price control on poverty, income equality, housing, healthcare and education led to a severe socioeconomic crisis within the country. Though this worked short term, it ultimately led to a major shortage and decline of the economy and major inflation as they printed more and more money for social programs. In 2013 after Hugo Chavez died, Nicolas Maduro became president and started social programs to subvert drug cartels and improve the welfare of the citizens and stop corruption. In November 2013, he ordered the military to take over appliance stores and although analysts theorized that a take-over of the economy may lead to shortages in the future, food and fuel began to be smuggle into Colombia, which had been compromised and returned the Venezuelan people. In 2014, a recession due to policy failures and the decline of oil prices caused consumer prices to rise 800% and GDP to contract by 18.6%, which led to widespread hunger and social upheaval leading to the problem that persists to this day. (Nelson, 2019).

As major inflation has led Venezuela to be a struggling country today, the impact of socialist and collectivist thought as well as improper and unsustainable methods of price control and social welfare programs have led to increased crime. For example, the murder rate according to the UN has increased from 14 per 100,000 people in 1998 to 58 per 100,000 in 2012, and according to the OVV (Observatorio Venezolano de Violencia) has increased from 20 per 100,000 in 1998 to 93 per 100,000 in 2016. The increase in equality however, while also a decline in quality of life, shows that even during times of low inequality within a country, low socioeconomic standards led to increased crime.

Early Venezuela, under Jimenez had although high interest in public welfare programs, but also a dictatorship, had high GDP within the country and while it was an extremely

oppressive regime, silencing the press and his dissidents, the amount spent on welfare programs such as construction of public highways, hotels, office buildings, factories, and more was much more sustainable than that of Chavez and shows a correlation between social spending and sustainability on the local market and use of natural resources. Though, while his regime was oppressive but had high GDP rates, and his corruption in stealing 200 million dollars from the country, the spending in comparison to Chavez was dramatically lower.

### **Case Study Analysis**

#### *Vietnam*

The case study has shown that as there are variations of degrees among collectivism and individualism among post-communist states there appears to be little correlation between the two. In the case of Vietnam, there appears to be a dichotomy among what is taught to the population in the education system and what is generally followed in everyday life. For example, while the values and teachings of Ho Chi Minh are still very prevalent in the school system, teaching of socialist and communist ideals, the rapid development in private businesses such as the Saigon City Centre Mall and the increase in foreign investments into the country and the growth of more private businesses appears to show that while the government still covets the socialist teachings, it has also opened itself to more capitalism and has shown an increase in the quality of life for its citizens and an increase in income and GDP per capita.

Though as foreign investment has increased along with income growth, there has been a rising number in inequality and this leading to crime. The number of petty crimes has increased dramatically from 2003 and violence as well, this would lead to the crime state being on the methodological scale at a 3, coupled with the growing GDP of the country also as a 3 (where

America or more developed countries may be around 5, as very productive). Furthermore, while there has been a growth in income and quality of goods produced, there is a scale value of 3 also set to the GDP per capita, and as the case study shows the increase in millionaires among Vietnamese being along 1 in 1 million in 2003 and steadily increasing for a value of income per capita to be set at 2, and as the Vietnamese were once imperialized by France and ideals of Christianity set into place and more Western ideals, the state of the influence of imperialism in Vietnam is to be set at a 2 as well.

### *China*

While China is purportedly a communist government, the increase in foreign investments and the growth of its economy from a production to more consumption is correlated with its inequality growth. The amount of private businesses and investments have skyrocketed the Chinese economy to be one of the best in the world and has caused the level of collectivism in the country to fall since 1947. Especially under the leadership of Deng Xiaoping the country, while it has strong holds on private businesses and their contribution to society, it has also grown to be less collective.

Analyzing these variables in their scale, the level of crime in the country is very low, while the inequality is growing, the influence of the “surveillance state” on the population by the government still has more influence on the crime rate and thus the rating of crime in China to be set at a 1. GDP as the country is growing to be one of the strongest in the world, is to be set at 4, GDP per capita would be set at roughly 4 as while the country produces much of the consumer world’s goods, the transition of the country to becoming more consumption-based influences

these goods. Income per capita to be set at a 3 as while incomes are increasing, the state of the communist government still has hold on the amount people make in the country. The level of influence from imperialism as the British once imperialized Hong Kong will be set to a 3 as while they don't have much influence on the values of the country, they have strong connections to the country's development and economic boom.

### *Russia*

While the country was once communist and totalitarian as the U.S.S.R, it currently does not hold the same collectivist standards and values as it did in the past. The transition to crony capitalist to state capitalist since the end of the Soviet Union has shown that while collectivism was very low as the Soviet Union though the government had strong forces on the people as a totalitarian power, the current state is very individualist and has led to massive among of inequality and crime. Though while there are levels of inequality within the country and the Gini coefficient high at a 30%, the state of the RCVS and traditional values of the Russians dating back a millennium still has some influence on the people and thus more influence of the people on the corporations that dominate the country.

As a result of the high crime rates in Russia, the scale is to be set at a 5, as there is high rates of crime now and also in the past, GDP at a 4 while it stands at 1.5 trillion USD, just below the UK and India, GDP per capita at a 3 as their rates of GDP per capita are roughly 10,000 USD, income per capita at 4, as much of the population is wealthy but there are rates of inequality everywhere, and influence of imperialism at a 1 as Russia was not imperialized but colonized many other countries and influence much of the world in the 20<sup>th</sup> century.

### *Venezuela*

The current failing state of socialism in Venezuela has led much of the population to be upset with the past and the improper distribution and use of its rich natural resources and the impact of collectivism in the country has led to what many consider in the global arena to a 'failing state.' Furthermore, the strong influence of corruption in the government is also a reason for the current failure of Venezuela. The price controls and unsustainable social welfare programs have led to increased crime in the country which would put the state of Venezuela on the crime scale at a 5 as there has been a strong increase in violent crime in the country. GDP of Venezuela is to be set at a 2, GDP per capita at a 2, and income per capita at 1, as much of the country is starving in its current state. The level of imperialism in the country is to be set at 3, as they were early colonized by the Spanish and began its role as an export country for cacao beans and oil ever since.

## **Conclusion**

As this study has analyzed the correlation between post-communist states and sustaining collectivist and individual sociopolitical thought, it has been concluded that there is little correlation between a state being collectivist as it is a post-communist state. Under analyses of Russia, China, Vietnam, and a reverse study on the current state of Venezuela, much of the case studies have shown there to be alternative reasons found in histories of imperialism, and influence of ancient culture of these countries to be much more of the reason why the state may or may not currently hold the individual or collective standards seen in the varying rates of collectivism in post-communist states among the different levels of analyses such as region, time, and history.

The results of this study therefore reject the hypotheses that post-communist states are heavily correlated to a current state of collectivism within these countries and that the alternative

cultural explanations are often the reason or result as well as the success of the post-communist state compared to the current sociopolitical ideology of the countries.

## Works Cited

- Allianz. "Healthcare in Vietnam - Support." *Allianz Care*, 2019,  
[www.allianzworldwidecare.com/en/support/health-and-wellness/national-healthcare-systems/healthcare-in-vietnam/index/](http://www.allianzworldwidecare.com/en/support/health-and-wellness/national-healthcare-systems/healthcare-in-vietnam/index/).
- Brooded, C. Montgomery. "China's Response to the Brain Drain." *Comparative Education Review*, vol. 37, no. 3, 1993, pp. 277–303., doi:10.1086/447191.
- Chang, Ha Joon. "Breaking the Mould: an Institutionalist Political Economy Alternative to the Neo  
Liberal Theory of the Market and the State." *Journal of Economic Surveys*, vol. 16, no. 4, 2002, pp. 539–568. Oxford University Press, 1 Sept. 2002, [academic.oup.com/cje/article/26/5/539/1698491](http://academic.oup.com/cje/article/26/5/539/1698491).
- Cohn, Theodore. *Global Political Economy*. Routledge, 2016.
- "Communism and Computer Ethics." *Communism: In China*,  
[cs.stanford.edu/people/eroberts/cs201/projects/2007-08/communism-computing-china/china.html](http://cs.stanford.edu/people/eroberts/cs201/projects/2007-08/communism-computing-china/china.html).
- Connolly, William E. "I. A Note On Freedom Under Socialism." *Political Theory*, vol. 5, no. 4, Nov. 1977, pp. 461–472., doi:10.1177/009059177700500403.
- CSUN. "Russian Revolution of 1917, Communism, Cold War." *Russian Revolution of 1917, Communism, Cold War*, [www.csun.edu/~kaddison/kraus.htm](http://www.csun.edu/~kaddison/kraus.htm).
- DePaul, Kim, and Dith Pran. *Children of Cambodia's Killing Fields: Memoirs by Survivors*. Yale University Press, 2005.
- Dilorenzo, Thomas. *The Problem with Socialism*. Regnery Publishing, 2016.
- Elster, Jon, et al. *Institutional Design in Post-Communist Societies: Rebuilding the Ship at Sea*. Cambridge University Press, 1998.

- Fischer, Stanley, and Alan H. Gelb. *Issues in Socialist Economy Reform*. Dept. of Economics, Massachusetts Institute of Technology, 1990.
- Gabriele, Alberto. “Strategic Services Policies and International Trade Integration in Vietnam.” *Journal of Economic Integration*, vol. 20, no. 2, 2005, pp. 263–293., doi:10.11130/jei.2005.20.2.263.
- Greenfield, Gerard. “The Development of Capitalism in Vietnam.” *Socialist Register*, vol. 30, 18 Mar. 1994.
- Guthrie, Doug. *Dragon in a Three-Piece Suit: the Emergence of Capitalism in China*. Princeton Univ. Press, 2002.
- Haggard, Stephan, et al. *Famine in North Korea Markets, Aid, and Reform*. Columbia University Press, 2009.
- Henschen, Jon. “Is Sweden Socialist? No, but... | Jon Henschen.” *FEE*, Foundation for Economic Education, 5 Mar. 2018, [fee.org/articles/is-sweden-socialist-no-but/](http://fee.org/articles/is-sweden-socialist-no-but/).
- Holcombe, Randall G. *Public Policy and the Quality of Life: Market Incentives versus Government Planning*. Greenwood Press, 1995.
- Kornai, János. *The Socialist System: the Political Economy of Communism*. Clarendon Press, 2017.
- Kornhauser, William. “Politics of Mass Society.” *Taylor & Francis*, Routledge, 15 Apr. 2013, [www.taylorfrancis.com/books/9781135034740](http://www.taylorfrancis.com/books/9781135034740).
- Lukkari, Valeria. *Economic Inequality in Imperial and Modern Russia in the Context of Political Instability*. Lund University, 2017, pp. 1–45, *Economic Inequality in Imperial and Modern Russia in the Context of Political Instability*.



Mangum, Maren. "Red China Blues: My Long March from Mao to Now. ." *Sigma: Journal of Political and International Studies*, vol. 19, 1 Sept. 2001, pp. 45–47.,  
doi:10.2307/2667695.

Nelson, Brian A. "Hugo Chávez." *Encyclopædia Britannica*, Encyclopædia Britannica, Inc., 1 Mar. 2019, [www.britannica.com/biography/Hugo-Chavez](http://www.britannica.com/biography/Hugo-Chavez).

Newport, Frank. "Democrats More Positive About Socialism Than Capitalism." *Gallup.com*, Gallup, 13 Aug. 2018, [news.gallup.com/poll/240725/democrats-positive-socialism-capitalism.aspx](http://news.gallup.com/poll/240725/democrats-positive-socialism-capitalism.aspx).

Ngor, Haing. *Survival in the Killing Fields*. Constable & Robinson, 2012.

Orwell, George. *Animal Farm: a Fairy Story*. Pearson Education Limited, 2018.

Ost, David. "The Politics of Interest in Post-Communist East Europe." *SpringerLink*, Springer, [link.springer.com/article/10.1007%2F978-1-4020-0935-9](http://link.springer.com/article/10.1007%2F978-1-4020-0935-9).

Parkin, Frank. "Class Stratification in Socialist Societies." *The British Journal of Sociology*, vol. 20, no. 4, 1969, p. 355., doi:10.2307/588921.

Rand, Ayn. *The Virtue of Selfishness: a New Concept of Egoism, with Additional Articles by Nathaniel Branden*. The New American Library, Inc., 1964.

Rohmer, John E. "Can There Be Socialism after Communism?" *Journal of Research in Crime and Delinquency*,  
[journals.sagepub.com/doi/abs/10.1177/003232929202000302?journalCode=pasa](http://journals.sagepub.com/doi/abs/10.1177/003232929202000302?journalCode=pasa).

Saucier, Gerard, and Katarzyna Skrzypińska. "Spiritual But Not Religious? Evidence for Two Independent Dispositions." *The Canadian Journal of Chemical Engineering*, Wiley-Blackwell, 16 June 2006, [onlinelibrary.wiley.com/doi/full/10.1111/j.1467-6494.2006.00409.x](http://onlinelibrary.wiley.com/doi/full/10.1111/j.1467-6494.2006.00409.x).

- Sescousse, G., et al. "The Architecture of Reward Value Coding in the Human Orbitofrontal Cortex." *Journal of Neuroscience*, vol. 30, no. 39, 2010, pp. 13095–13104., doi:10.1523/jneurosci.3501-10.2010.
- Sherman, Vince. "On the Organic Combination of Public Ownership and Market Economy." *EmeraldInsight*, [www.emeraldinsight.com/doi/full/10.1108/CPE-10-2018-011](http://www.emeraldinsight.com/doi/full/10.1108/CPE-10-2018-011).
- Silbergeld, Jerome, and C. Martin Wilbur. "China." *Encyclopædia Britannica*, Encyclopædia Britannica, Inc., 2 Apr. 2019, [www.britannica.com/place/China/Consequences-of-the-Cultural-Revolution](http://www.britannica.com/place/China/Consequences-of-the-Cultural-Revolution).
- Sztompka, Piotr. "Civilizational Incompetence: The Trap of Post-Communist Societies." *The B.E. Journal of Economic Analysis & Policy*, De Gruyter, 25 May 2016, [www.degruyter.com/view/j/zfsoz.1993.22.issue-2/zfsoz-1993-0201/zfsoz-1993-0201.xml](http://www.degruyter.com/view/j/zfsoz.1993.22.issue-2/zfsoz-1993-0201/zfsoz-1993-0201.xml).
- "The Collapse of the Soviet Union." *U.S. Department of State*, U.S. Department of State, [history.state.gov/milestones/1989-1992/collapse-soviet-union](http://history.state.gov/milestones/1989-1992/collapse-soviet-union).
- The Editors of Encyclopaedia. "Great Leap Forward." *Encyclopædia Britannica*, Encyclopædia Britannica, Inc., 26 Apr. 2018, [www.britannica.com/event/Great-Leap-Forward](http://www.britannica.com/event/Great-Leap-Forward).
- Trines, Stefan. "Education in Vietnam - Current Trends and Qualifications." *WENR*, 17 Dec. 2018, [wenr.wes.org/2017/11/education-in-vietnam](http://wenr.wes.org/2017/11/education-in-vietnam).
- Tupy, Marian L. "Even by Its Own Standards, Communism Has Failed Miserably | Marian L. Tupy." *FEE*, Foundation for Economic Education, 4 Sept. 2017, [fee.org/articles/even-by-its-own-standards-communism-has-failed-miserably/](http://fee.org/articles/even-by-its-own-standards-communism-has-failed-miserably/).
- Vietnamese Academy of Social Sciences. "Vietnam Poverty Update Report 2006: Poverty and Poverty Reduction in Vietnam 1993-2004." *World Bank*, World Bank, Dec. 2006,

siteresources.worldbank.org/INTVIETNAM/Resources/vietnam\_poverty\_update\_report\_2006\_final.pdf.

Vlachoutsicos, Charalambos. *RUSSIAN COLLECTIVISM AN INVISIBLE FIST IN THE TRANSFORMATION PROCESS OF RUSSIA*.

[www.files.ethz.ch/isn/23268/Russian%20Collectivism.pdf](http://www.files.ethz.ch/isn/23268/Russian%20Collectivism.pdf).

Wolverson, Roya. "Is China a Currency Manipulator?" *Council on Foreign Relations*, Council on Foreign Relations, [www.cfr.org/expert-roundup/china-currency-manipulator](http://www.cfr.org/expert-roundup/china-currency-manipulator).

World Bank. "Inequality in Vietnam: A Special Focus of the Taking Stock Report July 2014 - Key Findings." *World Bank*, 8 July 2014, [www.worldbank.org/en/news/feature/2014/07/08/inequality-in-vietnam-a-special-focus-of-the-taking-stock-report-july-2014](http://www.worldbank.org/en/news/feature/2014/07/08/inequality-in-vietnam-a-special-focus-of-the-taking-stock-report-july-2014).

Zhang, Yu. "On the Organic Combination of Public Ownership and Market Economy." *EmeraldInsight*, 31 July 2018, [www.emeraldinsight.com/doi/full/10.1108/CPE-10-2018-011](http://www.emeraldinsight.com/doi/full/10.1108/CPE-10-2018-011).