# The Roles of Government in Economic Development: Some Analysis from Paradigm Shift Perspective

# Đào Thanh Trường\*

#### VNU University of Social Sciences and Humanities, 336 Nguyễn Trãi, Thanh Xuân, Hanoi, Vietnam

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Abstract: Looking through the historical researches, there are hundreds of study that defined different roles of government, its functions or even debates on what is more important – the market or the government...with various point of view. However, governments do play a crucial role in the development process of every nation around the world - it's an undeniable fact. Pick out one country, and we can easily see the remarks of what their government did in different aspects such as economy, socio – culture, or diploma. The Vietnamese government is not out of this, with many achivements traced back to the day of the country's official independence. In 38 years from 1975, the role of the government has been changing significantly, being affected by both international and domestic environments under difficult circumstances. This paper is aiming to point out some of the characteristics of the changing role of the government in this 38 years, devided into three different periods (the period of 1975 - 1985: time of recovering after wars; the period of 1986 -2006: time of Doi Moi; and the period of 2007 - 2013: time of restructuring the economy), in terms of economic development. Using the paradigm shift approach, we call each period a paradigm, and try to apply the policy analysis perspective to each paradigm to understand and analyze the change in economic development via public policies. Since public policies are key tool of governing, economic developing can be consider the display for the role of the government.

Keywords: Economic development, role of government, paradigm shift.

## 1. Introduction

In reviewing the current knowledge about the role of the government in national development in general and in Vietnam in particular, it's found that there are two major schools of thoughts that defining what part the government plays and it is a debate between two parties promoting the role of the market or that of government. One party promotes the deep interference and excessive control of the government over the development (Keynes, New Liberalism, Institutional tenet, Leftist Economics, etc). The other has high opinion of "intangible hand" the which has the considerable ability to regulate the market, so the government only needs to conduct its fundamental functions [1, 2]. So theoretically speaking, the role of Vietnamese government in its national development raise from three perspectives: political and economic

<sup>&</sup>lt;sup>\*</sup> Tel.: 84-913016429

Email: truongkhql@gmail.com

perspective, historical study and comparative analysis. In politics, the government is considered as the most central and effective instrument of political power. In economics, the relationship of the government with the market decides its role in the economic development. Along the history of Vietnam, before 1986, the government played the central role in planning economic activities for the whole nation. After 1986, it reduces its control to macro level and mainly focuses on controlling the overall pace of the economy. In terms of historical study, the body of literature regarding this topic is vast and the scope of research is spread around many areas and aspects of national development like healthcare, poverty, etc. Most found studies concentrates on economic development and the government [3 - 7].

Besides, this paper aimed to use a quite different point of view in reviewing the role of government, that is from policy analysis perspective. Using the concept of paradigm of a policy - a framework that defines its philosophy/doctrine, conceptions, norms and definitions, as in figure 1 [7].

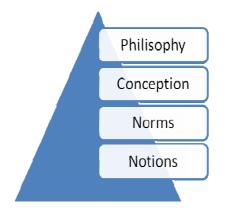


Figure 1. Paradigm of a policy.

Sources: Vu Cao Dam, Policy Analysis textbook, VNU Publisher, 2011

Overall, the impacts of (public) policies can be considered the roots for all changes by the method illustrated below in figure 2.

As being known, each policy has its own paradigm - so as each society or social groups.... So expert believed that the impacts of Government to society through (public) policies was just the interaction between two paradigms. When they collide, first the de structuring of each system will happen. This is the time the definitions, norms, concepts or even philosophy of people inside a society be affected by new things brought by the paradigm of new policies and vice versa, elements of policies be affected by traditions or customs for example. This double ways effect then can lead to the success or failure of the de - structuring stage, which also point out new policy succeed or fail. If fail, then the Government was unable to influence whole society or a group of people; if not, then the interaction of the two systems would lead to the re – structuring phase. In the second stage, there can be three options: (1) the policy trying to adapt to the framework of society, (2) the society has to change to suit the content of new policy, or (3) they denied each other and choose a new paradigm which suitable the most, it all results in the development of the society. In other words, the second phase is the time of old and new interaction, when old things were not yet disappeared and new things was not widely accepted. Whether (1), (2) or (3) happened, the third phase of acculturation comes after that, and the society will enter a new period of sustainable development. This balance development will stay the same until new policy - new paradigm appears and interact with old ones [7]. Using this model, we can then explain the changing in traditional and social values, in politics, and all other aspects as the impacts of Government through (public) policies tools.

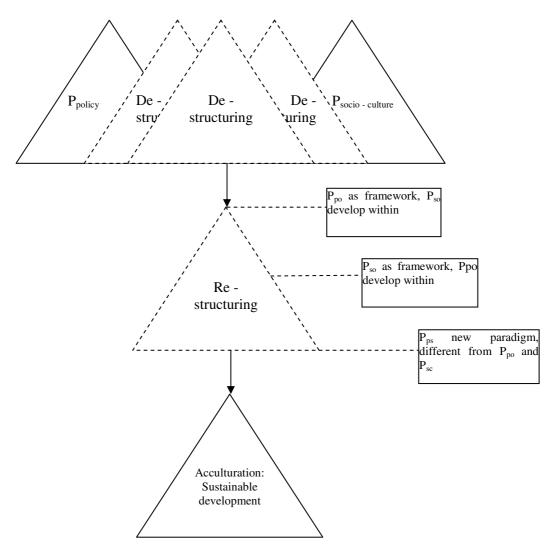


Figure 2. How policies change society.

#### Sources: Vu Cao Dam, Policy Analysis textbook, VNU Publisher, 2011

# **2.** The roles of government in economic development in vietnam from paradigm shift perpective

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1975 set important milestone politically and historically in Vietnam, due to the end of the North – South separation. 1986 was another significant turning-point in the economics -Renovation milestone. Prior to the Sixth Nation Congress of the Communist Party, the inflation rate of Vietnam was 774.7% (in 1986); the economy fell into crisis after a long time of stagnating development. With the motto "look at the truth", from the Sixth to the Tenth Congress of the Communist Party, Vietnamese Government made crucial decision to gradually implement important shifts theoretically as well as in practice: eliminating centralized, administrative and bureaucratic management and transformed into socialist - oriented market economy. 27 years has passed, marking undeniable improvements the Government has been achieving. In nearly 40 years, the role of the Vietnamese Government in developing economy experienced tremendous changes: changed from an all-powerful Government to a leading Government; the State changed from being a sponsor to be a basic institutions provider; the Big Government- Small Society model gradually changed due to the democratization process of the economic and political lives as well as the participation of civil organizations. However, the responses of the Government to the international and domestic environments were yet firm and clear enough. This issue has prevented the activeness and proactive of proposed policies, hence limiting the development of the country [8 - 11].

As such, this paper aims to review the changes in politics, socio – cultural and economic aspect of Vietnam through three period as illustrated below:

Box 1. Vietnam's develo	pment through period of t	ime and its characteristics $[8 - 14]$	
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Period	International Environment	Domestic Environment	Period's characteristic	Note
1975 – 1985	<ul> <li>The embargo diplomatic policy of the United States</li> <li>The Cold War</li> <li>Joining in the system of classical socialism - affected by the Soviet Union's economic ideology</li> </ul>	<ul> <li>The victory against the United States and the unity of the entire country</li> <li>Tension with China burst into Border War in 1979</li> </ul>	Economic Recovery after war and choice of friends	Paradigm 1
1986 - 2006	<ul> <li>The collapse of Soviet Union and some Socialist countries in Eastern Europe</li> <li>The end of Cold War</li> <li>The Asia Financial- Monetary Crisis in 1997</li> </ul>	<ul> <li>The sixth National Congress of the Communist Party of Vietnam</li> <li>Joining in ASEAN</li> <li>Normalizing the diplomatic relations between Vietnam and America</li> <li>Normalizing the diplomatic relations between Vietnam and China</li> </ul>	Leaving the orbit of classical socialism and integrating intensively into the global economy	Paradigm 2
2007 – 2013	<ul> <li>The 2008 Financial and Economic crisis</li> <li>Public debt crisis shadowed Europe and the world economy</li> <li>Global Commercial decreased</li> </ul>	<ul> <li>Vietnam officially becomes a member of WTO</li> <li>The crisis in 2010 slightly affected Vietnam financial market but strongly on its export</li> <li>Role of State-Owned Enterprises (SOEs) and FDI Enterprises is challenged</li> <li>Bad debt of SOEs and Real estate market put bank system in front of real challenges</li> <li>Efficiency of Public Investment</li> <li>New demands of people in economic life</li> </ul>	<ul> <li>Becoming a member of WTO and dealing with Financial-Monetary Crisis in 2008</li> <li>Restructuring the economy facing new challenges</li> </ul>	Paradigm 3

Also, main contents of each period will be analyzed according to the interactive relationships between different elements of the macro environment, both internationally and domestically as below figure:

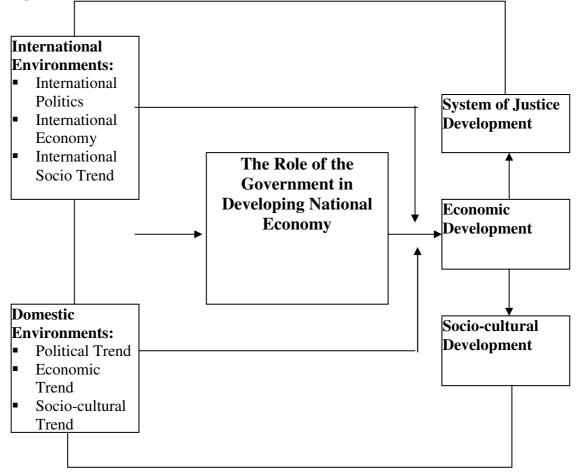


Figure 3. Interactive relationships inside international and domestic environment.

Source: Suh & Political Economy Research Team, University of New South Wales, 2011 [16]

# PARADIGM 1: 1975 - 1985

Around 1975 was the time of interacting between the paradigm of wartime and the paradigm of a new liberation country. Old values during wartime were replaced by new ones raising in reconstruction period. Besides, Vietnam experienced complex international and domestic political environments, which impacted deeply on the government's functions. The international contexts surrounding Vietnam had three big issues, including the embargo diplomatic policy of the United States, the Cold War and the enrollment to the system of classical socialism due to the influence of the Soviet Union's economic ideology. Meanwhile, inland, the most influential political issues were the victory against the USA and the Border war with China. They all resulted in Vietnam government adopting the dictatorship form and enhancing progressive control and interference over every aspects of national development, in order to quickly rebuild the country from the ash of the war, following a socialist model [17, 19, 20]. This could be assumed as the management philosophy of the government. As such, the conception, norms, and notions – all decided by this philosophy - had led to many huge changes and contradictory in sociocultural and economic development.

Central planned and command producing model was chosen as a nature of a socialist country, putting the government and its agencies at the central of every social activities, especially economic activities. For example, goods were distributed under the state rationing regime, goods also couldn't be freely trade in the market, exchanging cash was also limited.... Actually in this subsidy period, the country just had a so - called market, not a truly market at all. The speed of economic development was very low, private sectors were under developed. The economic structure was too focused on agriculture, but the level of development was still not coping with the domestic food demand of the people [18]. In terms of socio-cultural development, this period still promoted the collective spirit in people, but personal consciousness began arising as the living contexts had changed greatly. In terms of diplomacy, we consisted in being friend with socialist countries only [20 - 22]. Some positive developments had been detected but overall still at a poor level. It can be explained that after the de - structuring and re structuring stages (figure 2), the government failed to choose a sustainable development model for Vietnam and since the central planned model exposed those negative

outcomes, it's time to call for changes in the way the government performed its role.

## PARADIGM 2: 1986 - 2006

#### International environment

Between 1986 and 2006, the collapse of Soviet Union and some Socialist countries in Eastern Europe had ended the bipolar status of the world, made international politics a zero polar with one superpower only, which was the United States. Added to this, the disadvantages of centrally planned economic institution had been revealed, the reformation has become a pressing need to these socialist countries.

The end of Cold War has strong impact on thought and leadership directions around the world, including Vietnam. Accordingly, confrontation thought has changed to negotiation thought. The Government of Vietnam has recognized the importance of becoming more cohesive with other countries in the region instead of separating from them and tied to a powerful country. This idea has been maintained until now. It could be seen most clearly through the effort in joining ASEAN in the mid-1990s, and effort in showing impact inside ASEAN when holding a rotating presidency at the end of 2000s.

The Asia Financial-Monetary Crisis in 1997 - The warnings of P. Krugman about the inadequacies of "East Asia's Miracle" spread over and destroyed significantly the achievements which have been built in many years in some South East Asian countries (such as Thailand, Indonesia, Malaysia, etc.) and in North East Asia (like Korea). The meaning of this event to Vietnam, the country which at that time bearded less impact due to the low openness of the economy, especially still closed in financial-monetary market - is not to close the financial-monetary market but needs to acknowledge sufficiently the drawbacks of the model which we are pursuing as well as middle-term macroscopic policies. Thus, late 1986 and early 1987 was the time for the de – structuring stage [25].

#### Domestic environment

The sixth National Congress of Communist Party of Vietnam brought a revolution in the role of the government in every aspect of development. comprehensive national А proposal about direction of innovation in both politics and economy of Vietnam were presented. A more open, innovative and much less progressive way of governing were applying. Combining with improvements in international relationships, the changes brought back positive results. There can be seen the philosophy of a new paradigm, with new conceptions, new norms, and notions which would impacts every corner of life, then take the whole country to the re – structuring phase.

In politics, broaden diplomatic relationships with neighbor and other countries around the world, normalizing the relation with the America, and the end of border war were some milestones of Vietnam. Especially in diplomacy perspective, of which joining in ASEAN is a proudly remarkable progress, new relationship with not - socialist countries reflected new conception that we adopted, that was not only classic communist countries are our friends. The changing circumstances which led Vietnam to be open - minded enough to reverse our mindset also brought a normalized relationship with the USA, who used to be our enemy in the past. In fact, without that normalization, the country couldn't make joining WTO - a 11 years later story - succeed. Besides, the new philosophy, new institutional management brought a number of chances and improvements in legislative aspect, mostly on laws promulgation.

The socio-cultural development in this period maybe one of the aspects that experienced changing the most according to above philosophy. These transformations were manifested in five important aspects, which included changes in social structure, absorbing world cultural values, changes in the perception of life and lifestyle, restoring and bringing into play traditional cultural values, and renewal in freedom of creation. Before the reforms, the society of Vietnam had a simple social structure, consisting of working class, collective peasant class, and the intellectual class originating from workers and peasants. However, as the economy evolved from a planned socialist model to a free market one, the social segment structure had become significantly more diverse and abundant with many new classes, such as small traders, small shopkeepers, owners of private enterprises, freelancing workers, etc. In each social segment, there were distinctions in terms of occupations, education level, professionals, and incomes (Nam, n/a). Additionally, the most remarkable point in the socio-cultural orientation for development of the government is the new cultural direction. The Party's policy is to develop the culture in line with the views of integrating Vietnam into the world and to build Vietnamese people and culture in the dialectical relation between national and international (Dan, n/a). During the period of 1986-2005, Vietnamese people also witnessed the changes in their perceptions of life and lifestyle. In the previous period, the personal consciousness of Vietnamese people was to live for community and for "us". In the new era, people could live for themselves. Therefore, a new perception about "living to enjoy"

appeared. This perception appeared differently in different social classes, but it gradually became the objective for striving for everyone. This perception was manifested in many aspects of life. For example, the speed of life got faster. The family had fewer children as the government recommends each family should have one to two children only. Moreover, the society also began taking notice of restoring and renewing traditional cultural values. The government asserted that the inheritance of traditional values always possesses important meaning in the construction of a new culture. The government also encouraged this trend in a manner of freedom. The freedom spirit was also allowed again in the expression and creation. This right was introduced and reinforced more than ever in the Resolution of the 5th Plenum of Party Central Committee (8th Tenure in 1998) [20, 22].

In terms of economics, the economy of Vietnam changed considerably from a centralplanned model to an open, market-oriented, and globally integrated one. With this transformation, the role and methods to manage the economy of the Government had obviously shifted as well. Because the country accepted the concept of market economy, new economic norms and notions appeared, in which the outstanding points were:

- Building the "socialist-oriented market economy" mode during the transitional period.
- Sufficiently acknowledge the rules of market and market economy.
- Democratize economic life by encouraging and supporting non-state business to develop, and compete fairly with state-owned one. The government affirmed that the country would have five economic components (state-run, collective, and individual, joint state-

private, and private capitalist) (Fifth National Congress, 1982)

• Improve the openness of the economy by import-oriented and attracting FDI strategies [26].

During this period, the Government gradually turned back to their determined functions which include orienting development, providing legal framework for all activities of social-economic lives, supplying public goods, maintaining stable macroscopic economy and ensuring social fairness.<sup>1</sup> The results of these changes were genuinely impressive. In this period, Vietnam already built up 2 Socio-Economic Development Strategies for the period of 1991-2000 and 2001-2010. Furthermore, socio-economic some development plans was also subjected to given changes. The most obvious change was to abolish planning by Material Product System (MPS) in order to shift to System of National Accounts. Economic controlling activities were performed by the market more than the previous periods; although some administrative orders and directions remained till today, in some important fields, some laws of the market economy such as demand-supply and price signal uphold more and more significant roles [27, 28].

This transition caused by the government has positive outcomes. The economic growth is considered impressive. However, the structure creating the economic growth of Vietnam economy is immutable since 1986, meanwhile

<sup>&</sup>lt;sup>1</sup> The evidence which showed another effort of Vietnamese government was that they strongly tried to democratize economic life and encourage the development of non-state economic sectors is the prompt decline of SOEs from 12,084 enterprises (the beginning of 1990s) to around 3,300 with 100% capital of the State (2010) (see details in appendix 1).

in some other countries, mode for economic growth already changed to be appropriate with the development of science, technology and information. The remarkable point of Vietnam economic growth from 1986 to 2005 was that it mainly based on capital and labour - economic growth in width or economic growth in Harrod-Domar model. For instance, from 1992 to 1997, contribution of TFP to Vietnam economic growth was 15%, from 2001 to 2005 was 22.5% (Dang et al., 2006); meanwhile from 2000 to 2005, contribution of capital for Vietnam economic growth reached 50%, just behind Japan (80%), but we all know that Japan is a country which is poor in resources, and has to mainly depend on capital and technology to achieve growth (see figure 4). When these factors reach its peak, the growth would slow down and become unstable. This was, again, the time when new paradigm - generated after the acculturation – exposed its weakness, losing its equilibrium, thus the country need new (public) policies, new viewpoint from the government to start the process of de structure, re - structure and reach to its new sustainable development.

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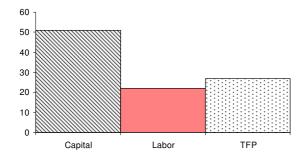


Figure 4. Contribution of Capital, Labor and TFP to Economic Growth (2000-2005).

Source: Bui Trinh, 2011

#### PARADIGM 3: 2007 – 2013

International environment

The political face of the world has been changing unpredictably over the vears. Prominent issues that easy to realize were still fierce competition between some powers, emerging countries also pursuing ambitions to empowering their national politics.... However the increase of countries with nuclear weapons in associated with the cooperation and interdependence all around the world under the globalization and international integration trends had help strengthen the cooperation and reduce confrontation. During this period we saw positive changes in global agenda, the transferring of power in big countries, the strategic moving focus to Asia - Pacific. Besides, in this multi - polarized political situation, the US and also the EU were gradually losing their power and sphere of impact - from politics to economy or social trends, while there were the raising of some pillars from the East, Middle East, Central and South America, which will lead to a new world's division of power. It's also the changing in political ideology, in which "ideal" Western democracy was no longer the perfect model for development but "do it your own way" as developing countries did, had led to major achievements.

Along with political change toward regional, international trade relations also showed the increasing of regional free trade areas (FTAs) and regional unions. Even though trade relations as well as international financial situation around the world had been affected by global financial crisis and debt crisis, national governments all proved their best to escape from the mess and improve trade/economic outcomes. The shift also happened in globalization trend, seeing the expansion of China, Middle East or Central/South America or Asia/Asean's flow of goods and services. Although, we had been affected by the collapse or stagnation of some big MNCs, we again need to push globalization trend in order to take its full advantages to recover.

Aside from above issues, socio – cultural environment environment and natural contributed to the unstable state of the world. For example, population growing unevenly between different parts (Developing and least developed countries were projected to maintain their highest growth rate in contrast with the stable or shrink scale in more developed countries). As such, developed nations would suffer from a shortage of labor while developing ones would suffer from employment creation pressure and unemployment instead. The migration from developing to developed countries would then happen naturally. However, new social consequences as social welfare or the gap in working skills and other social consequences are matter considerably. Another factor that can influence this world considerably would be climate change phenomenon and its negative consequences. Natural disasters, global warming, greenhouse effect,... continuously harm living or producing condition of people seriously, and became more difficult to deal with.

This international environment was the consequence of the totality of policies systems of each nation, from diplomatic to economic, social policies, as well as national developing strategies, in relation with development focus of each areas and global scope.

## Domestic environment

Historically, we still have general perception that the most outstanding characteristic of political system of Vietnam is the high consistency under the leading of the Communist Party. It's certainly not a system of different institutions with opposing interests. However, this perception is no longer completely right. There was the participation of social forces on political system's activities which changed the homogeneous nature of the traditional system. Then political system's activities now is the result of a diversified interaction process between politics and society. In the unity of national interest, there were numerous different interests of different social groups still. Therefore, political system nowadays should be considered as political social system, in which the leading role of the Communist Party remain the most crucial factor, guiding the operation of all institutions in this entire political - social system (Tran, 2006). Moreover, in this period of time, Vietnam's Government put a lot of efforts to maintain a stable political environment and tried to make laws and other legislative elements more transparent. The country also kept on a friendly diplomatic channels with neighbor countries and others all around the world, creating a better image of Vietnam as a good choice for investment. By doing the Administrative formalities Reform, beginning with Project 30 in simplifying administrative formalities period of 2007 - 2010, decreased the bureaucracy or the complex procedures which often caused obstacles for lots of socioeconomic aspects, especially (foreign) investment was reduced. This was a big political commitment and a contribution to institutions reform of the country [48].

Acculturation, cultural diversity, multi – originality cultural as well as international cultural integration has been causing increasingly impacts to the development of the country. Globalization has been being considered one of the biggest issues of Vietnam currently, in which cultural globalization is one of the three development focus, ranking number two after economic element. Changing in tradition and social values, changing in education, literacy, higher education, and changing in population as being influent by external elements or purposely by the guiding of the state were all major issues of this period [44].

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economic development About and economic outcomes. The main issue of economic development in this period was the economy re - structure and economic growth model re - specify. As the country had joined WTO since 2006, many chances had come and we had reached somewhat great achievement. Nonetheless, global finance crisis and debt crisis has pull back the wheel and even until from negative still suffered now. we consequences in some aspects. The more difficult the situation was, the more important the role of the government showed, which economic development in those years was crucial evidences. What we learnt from others was changing economic structure is fundamental demand of modern economic growth. Although 2008 financial and economic crisis negatively affected some fields of Vietnam economy (like Commerce), but this is also a chance for Vietnam to take the initiative in changing and upgrading economic structure to be appropriate with new requirements. Economic theories as well as reality in some countries show that the trend of economic development will be: Agriculture's share in GDP will plummet, Industry and Services' shares in GDP will increase, among which, the Services' share will later surpass Industry's. In Vietnam, the trend of transferring economic structure is relatively in accordance with the trend of development in the world. Obviously, the paradigm of a agriculture - based economy was proved to be not suitable anymore, and it's undergone a breakthrough by the paradigm of an industrial economy, which then lead to the change in GDP as can be seen in figure 5 [29 - 43].

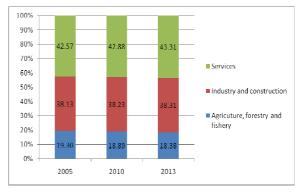
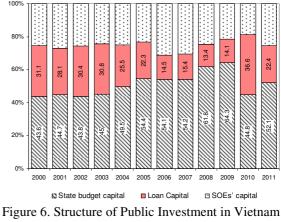


Figure 5. GDP structure by sectors in some years. (Unit: %).

#### Source: GSO

Additionally, the restructuring the economy is one of the three main objectives and tasks in period 2011 -2015 launching in 2012, in which the state carried out a comprehensive restructure in different types of the economic structure: Industry structure, Region structure, Sectors structure. It was demonstrate evidently through the change in investment structure, especially State investment (see figure 5 and table 1) and fiscal – monetary structure. Since the economic growth model had changed, this restructure had triggered a number of changes in economic activities as well national economy [29 - 43].



(2000 – 2011).

Source: GSO

Table 1. Proportion in State investment for economy, society and management 1995 - 2012

			(	(Unit: %)
Year	Economy	Society	Management	Total
1995 –	77,8	16,0	6,2	100
2000				
2001 -	78,6	16,4	5,0	100
2005				
2006 -	75,3	15,7	9,0	100
2010				
2011 -	77,1	13,5	9,3	100
2012				

Source: GSO

Remarkably, this 5 years period witness the correct guideline of the State in focusing on science and technology development, determining that economic development cannot be separated from Science & Technology. In fact. the contribution Vietnamese of products/production in general to global value chain was too little, due to the vast depend on natural resources and climate. without technique or technologies, our products always fell into unequal quality or low hygiene and food safety... situations. Keep producing this way won't bring economic outcomes as expected, lowering the national position globally. Hence, applying science and technology achievements in producing, investing more on R&D activities was the one and only way for the country to pursuit its development goals, to enhance national competitiveness capacity - this is an important lesson we learnt from other countries and a trend in globalization and international integration [47, 49].

Obviously, the philosophy that decides the rest three factor of this paradigm was developing the country in globalization and international integration context. One hand, we need to maintain an independent way of development. On the other hand, globalization

and international integration trends bring nations all over the world "closer", making each one a part of a global value chain, and that without international trading and relationship, we couldn't have enough resources for our own development, especially in the era of Science and Technology. Therefore Vietnam had to be integrated, but what is the limitation of it, at what level should we stop in order to be not dissolution? Those questions were still there to be answered. In other words, we haven't image reached the final of sustainable development, we're still in the acculturation phase. 3. Some concluding remarks

In 1975, our starting point was a country who just escaped from two conclusive patriotic wars - poor and under developed. But now, after nearly 40 years of efforts, Vietnam now is listing in developing and potential group of countries. We had been reforming, not only in politics but socio -culture and economy as well.

The main theme of this paper was to go through the current situation of politics, socio culture and economy and analyzing how they were changed by periods of time. Using the basic concept that each element in the macro environment of a nation, interact and influence the others. And that they were all impacted while function/operate in a broader context the international environment. Since the world now is "flat" and globalization and international integration happen stronger than ever. Besides, under the concept of paradigm of policy, it can be seen that each policy, each decision the state made had caused changes in society The world situation's was progressively unstable. We witnessed the US and the EU's leading position in all aspects: politics, army, economy... and saw the generation of new forces, rising from the East (China, Korea) or South Americas (Brazil, Mexico), especially the significantly important role of China, proved in global crisis 2008. It's because of globalization too, in the world that all countries are integrated, no country is immune from international shocks. Besides, WTO was no longer the most powerful body of providing conducive trading environment since there was an explosion of multi- and bi-lateral free trade area agreements. In this complex environment where virtually all countries are integrated, no country is immune from international shocks.

It can be separated into three main period of national development since the country officially become independent: the period of 1975 - 1985: time of recovering after wars; the period of 1986 - 2006: time of Doi Moi; and the period of 2007 - 2013: time of restructuring the economy.

The starting point of political system in 1975 was being in charge of both south and north of Vietnam, This urgent matter has made the government to reinforce its position and to become even more controlling and possessive in every aspects of the nation (because of differences and distinctive between the North and the South). During this period, diplomatic policy also had the specific characteristics of socialism of this time: within the socialist countries only. However, the collapse of the Socialist block had force the country changed, to adapt to new environment. 1986 was such a crucial milestone of the country, seeing its reforming, entering an era of Renovation. Institutional changes, especially the openness of the country had put the leading role of the Government in a new challenge. One hand we had to protect our independence, on the other hand we need to do trade and other exchange with other nations. Especially since 2006 when the country joined the WTO with no

discrimination for Vietnam and other 146 members. Globalization and international integration is now the biggest issue we need to tackle.

Similar to politics, stepping out of the war and experiencing a more closely planned nation, the social, cultural and economic context of Vietnam had undergone considerable changes in many aspects. Overall, this is period confliction between of heroism and individualism. Urban areas also develop and expand more and more and we had people moving from rural to developing areas - where the government targeted to build them up. From a fairly closed society to an openness one, we saw remarkably changes in traditions and social values of people, with acculturation now bring lots of pros and cons at the same time. Moreover, economy restructuring and choosing economic growth model tasks were not fully achieved, we still in the transition stage with hundred of obstacles. Luckily, Vietnamese Government has correctly defined their goals and guideline to push developing process to a higher speed. Hence, looking at what we'd done in the past, people can believe in a brighter prospect of the country, a near future of sustainable development.

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# Vai trò của chính phủ trong phát triển kinh tế: Một số phân tích từ góc nhìn biến đổi khung mẫu

# Đào Thanh Trường

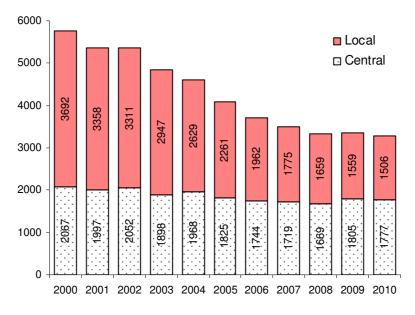
Trường Đại học Khoa học Xã hội và Nhân văn, ĐHQGHN, 336 Nguyễn Trãi, Hà Nội, Việt Nam

Tóm tắt: Nhìn vào lịch sử phát triển của các quốc gia cho tới nay, có thể thấy hàng trăm thâm chí hàng nghìn nghiên cứu về vai trò của chính phủ, các chức năng của chính phủ và nhà nước hay rất nhiều những tranh luận về vai trò của chính phủ và thị trường, yếu tố nào quan trọng hơn... dưới các góc đô khác nhau. Tuy nhiên, các chính phủ thực sự đóng vai trò quan trong trong quá trình phát triển của tất cả các quốc gia trên toàn cầu. Chúng ta có thể dễ dàng nhìn thấy dấu ấn của các chính phủ ở tất cả các phương diện như kinh tế, văn hoá – xã hội hay ngoại giao. Chính phủ Việt Nam cũng không nằm ngoài quy luật đó, và đã đạt được rất nhiều thành tựu trong quá trình xây dựng đất nước kể từ ngày giải phóng. Trong vòng 38 năm từ năm 1975, vai trò của chính phủ đã có sự thay đổi đáng kể, trong các hoàn cảnh khác nhau và bị ảnh hưởng bởi các yếu tố môi trường trong nước và quốc tế. Bài viết này nhằm mục đích chỉ ra một vài sự thay đổi trong vai trò của nhà nước trong phát triển kinh tế qua 38 năm, trải qua ba giai đoạn (giai đoạn 1975 – 1985: phục hồi sau chiến tranh; giai đoạn 1986 – 2006: Đổi mới; giai đoạn 2007 – 2013: tái cơ cấu nền kinh tế). Sử dụng tiếp cận biến đổi khung mẫu, chúng tôi coi mỗi giai đoạn là một khung mẫu cần nghiên cứu, và cố gắng áp dụng quan điểm phân tích chính sách vào mỗi khung mẫu, để hiểu và phân tích những biến đổi kinh tế thông qua chính sách công. Bởi nếu coi chính sách công là công cụ chính trong cai trị, thì phát kinh tế nói riêng và phát triển của quốc gia nói chung đều là những biểu hiện cho vai trò của nhà nước.

Từ khoá: Phát triển kinh tế, vai trò của chính phủ, biến đổi khung mẫu.

# **APPENDIX 1:**

Number of SOEs by Management Level (2000 – 2010)



Source: Pham Sy Thanh, 2012

Source: GSO