

Conference on Vietnam, Washington D.C. Nov 16 - 17, 2000

Panel I Discussions

Professor Brown

I like somebody to challenge Adam Fforde's thesis that there is appreciable bottom-up pressure in Vietnam and this is the process which is motivating economic changes in VN. I am summarizing one of his points very briefly. To challenge that thesis, it seems to me that it is very fundamental. It could be a realistic appraisal but certainly it is not the whole truth but I like that point to be embellish a little bit. Adam, what is your empirical evidence? Can you support that in some greater detail? Because it goes against what Professor Lam said.

Professor Fforde

Let me take an example, something which is quite central, which is the issue to this labelization and the problem of the internal order within the operators, within the state administration and related to that the public administration reform program about which I knew nothing until I was hired by UNDP to do a pre-feasibility study for a PAR project, in Saigon, Ho Chi Minh city so I spent two three weeks with the HMC city Chairman People Committee, the office of the Committee and also the local office to look at what 's going. I give you two examples. Firstly, the Chief Architect office was under enormous pressure from foreign investors, people who want to deal with foreign investors to improve their methods of operation and what essentially happened under that pressure they instituted training and procedures that seem to respond to some bureaucratic ... as to how files should be moved about, methods to substantially improve things. It happened without anything you could find in any official gazette or something that you would call a policy. It had a major impact not only on the hassle for investors who want to do business with them but also on the understanding in the HCM city bureaucracy and also among who cares to visit a part of the nationwide administration reform program: this is how you do it, procedures, systems, all the rest of it. Prior to that date, as a generalization, the VN State administration is extremely muddled, its capacity for delegating, for establishing authority is extremely weak. The classic problem of maintaining internal order in some corporate body ... it created knowledge, it created some positive results. That is one particular example.

The other example is the important constitutional issue is what you do if law or decrees issued by two different sovereign bodies, for example two different ministries are contradictory, what happen. In a federal state like the US, we spend a lot of money on lawyers. In a unified state like the UK, it doesn't happen that way. The constitutional position in VN, as I understand it, is that the standing committee of the constitutional assembly has to make a ruling. In the mid 1990s, the lack of harmonization between the different branches' decrees is pretty high. People will drop decrees and put them out. There is no real procedure for making sure that they met each other. What was happening was that the legal department of HCM city, "so tu phap", which has some extremely good people in it, had sat down and gone through all the decrees, the whole bloody lot, where there were in harmony, where they weren't. Because of the relative political muscle and

also savvy of the city, effectively they made the ruling that when X clause of Y statute did not conform with another clause some statute, the city will decide which had authority over the administration of the city, "anh cu lam", in the expression we do like that and we will defend you. I sat in the office of the big building in front of Bac Ho in Saigon. A formal system was created like that at the local level. That was interesting to watch. When I went back to the local administration level at the province a couple of years later, I was told that was now viewed as an ad hoc solution. What they have done now is to make the ministries in Hanoi get together to solve this problem. This is rather dry rather technical. But if you talk about the process of legalization it seems to me it is a spontaneous process. More importantly, in terms of solving the problem of creating authorities then you can delegate within an administration, which is crucial to the enforcement of contracts within the national territory which up to the mid 90s is a mess. That was just two examples. To be fair, if I take the basic question of how much empirical evidence I have, the answer is that it is not much. But if I

Professor Brown

If you take the People Committee of HCM City, this is not exactly the bottom. What were the pressure, if you will, that you would see that bring upon the People's Committee to make that kind of ad hoc arrangements that will then become the rule.

Professor Fforde

I would say a normal mixture of a desire to get a relatively clean and sustainable development process, which relates exactly to what Carlyle was saying about legitimization

Professor Brown

The rule of right reasons

Professor Fforde

If there is any right reason, if I could avoid that curved ball.

Professor Womack

I have a question that indirectly addresses Fred's question. You describe the reform in Vietnam that is faster in China but not as fast as in Laos. If one has to say one sentence about reform in China and Vietnam, it would not stress the speed of reform. The reform in China is based on a transformation of policy values after the Cultural Revolution rather than an immediate crisis. The Vietnamese reform is based on persistent crisis and partial efforts that fail to resolve. In the Chinese case, you have new policies trying to open up new territories for policy values based on materialism rather than Cultural Revolution. In the Vietnamese case you have crises, policies dealing with the failure of attempts at socialist transformation. In the Laotian case, it seems to me that the reforms got so fast because they never go very far in the socialist transformation originally. It wasn't very difficult to turn back the switch. How this relates to Fred's question is that you can see in the larger terms, the evolution of Vietnamese policies from 1990 on, as a response to pressure from below seen as the failures of what that they were attempting to do and then adjustments more and more radical as the crisis seems to be more and more intractable.

Results that surprise and then you have the question on how to cope with the situation after that. It seems to me that you can see in broader terms of responding to the context and certainly not the result of policies but the result of unanticipated consequences.

Mr. Nguyen N. Bich.

My name is Nguyen Ngoc Bich and I am with RFA. I have something that may provide an answer to Fred's question. The questions of pressure from below I think Mr. Womack is correct. In some case the agricultural failures in the late 70s force people like Nguyen Minh Ngoc, the secretary of the party in the Vinh Phu Province to come up with his Quan San Pham policy. He applied that, it did work, and the Central Party called him in, took him to task and told him that he better stop that because that's not socialist. And Vu Minh Ngoc declared that well because of party's discipline I stop it that but I still "bao luu" my idea, to say that I still maintain my idea. Eventually he died, and the party turned around and followed his lead. The kind of Thai Binh situation in 1997 would be something like that. But in connection with all of that, I think that the four speakers have not addressed, according to the conference agenda, it will not be addressed either, and this the role of religion in VN. I think that this really is the biggest mass pressure from below that is going to change VN in the next couple of years.

Professor Brown

I like to stimulate some comments from our experts. About Adam Fforde, it is only one of the several interesting theses he put forward

Professor Thayer

I want to relate to Bich's call about religion, because I think we have evidence about the spread of some evangelicalism among minorities' group particularly in the north, the revival of sanctioned activities by Hoa Hao , but complaints by other members excluded from the attempts to streamline the regime organizations. The longstanding fact that the Unified Buddhist Church of Vietnam, Vietnam is a repressive place and it is not totalitarian. It has only gone softly in Central VN, because demonstrations and support emerges. Even if they stopped aid to flood victims, yes it is heavy handed but it is not total. Sociologists see an increase in younger people in church attendance, in Catholicism, ancestor worship, and revival of shrines, civil societies, and groups doing temple restoration work. We have all that as features. At the same time, we see the state adjusting, realizing that it does not have all the facilities to control, monitor, and supervise everything, It has to decide where the major threats are coming from and that's when the connection is made overseas with any one of these groups. Whether these activities amount to a critical mass, in my written paper, I suggest that Hoac's analysis, he goes too far: these critical masses leading to some kind of uprising or revolt. I guess that you can look at plausible scenarios, but at the moment, it is the least plausible scenarios kind of disturbances, urban youth chasing the police, involving the countryside. I think the Vietnamese want "on dinh", order and not chaos. At the moment, VN is not such a repressive place, it is repressive. It is not so repressive and oppressive that there is no alternative way out. People can leave the country, they travel abroad. In the private sector, making wealth, they can alter their life style. That's not the problem. The larger that I try to address. You have to link growth rate to population growth rate. That is the

key drag on what is occurring here. There lies the problem for a party that has promised and delivered 10 years of high growth and high expectation. It happens in a period where expectations are being lowered and it is everyday's usual business. That's my analysis. If only 2.7 percent of the Vietnamese is invited to join the communist party, a smaller and smaller number is selected for leadership, the adequate base for a country in this transition process. The problem for the leadership in the past, when they want to retire the top three, they are stuck in their own operation to pick from the politburo. When you want replace three, and I use these words to be provocative to the Vietnamese, but they didn't have enough men of talent. I use a Confucian term, not enough men of talent, to make that transition. We got to open up the flow through. Finally, there is the emergence of the private sector, which is over half of the GDP. We have a class of urban class, whatever that means in the Vietnamese context
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