

# CHAPTER I

## INTRODUCTION

### 1.1 Background

In recent decades, Vietnam has emerged as a compelling case study for those interested in the intersection of politics and social development. The country's unique approach to development, often referred to as "socialist-oriented," has garnered international attention and raised intriguing questions about the relationship between political ideology and socio-economic progress. This proposed article aims to explore and analyze the path of socialist-oriented development in Vietnam, examining its political underpinnings and its impact on the nation's social and economic landscape. Vietnam's choice of a socialist-oriented development path after reunification in 1975 was driven by a confluence of historical, ideological, and pragmatic factors. At its core lay the Vietnamese revolution's heavy influence from Marxist-Leninist ideology and the model of the Soviet Union, which profoundly shaped the political thinking of the Vietnamese Communist Party leadership (Fforde, 2005; Beresford, 2008). This ideological foundation, coupled with the desire to rapidly rebuild the war-ravaged country, led to the adoption of central planning and state control over major economic sectors (Le, 2004; Masina, 2006).

Moreover, the revolutionary struggle against Western imperialism and the experience of French and American interventions fostered an antipathy towards capitalism (Gillespie, 2006; Trong, 1994). With unification under communist rule, ideological conformity throughout Vietnam became a necessity, aligning with the Marxist-Leninist principles of the ruling party (Rama, 2008; Beresford 2008). Geopolitical alignment with the Soviet bloc and security dependence on aid from socialist allies like the USSR and China further incentivized emulating their economic models initially (Pham, 2000; Masina, 2006). However, recognizing the need for economic reform,

Vietnam embarked on a gradual process of economic renovation (Doi Moi) from 1986, opening up to market forces while retaining the Communist Party's ideological commitment to "socialist orientation" (Fforde, 2004; Freeman, 1996). This unique path blended the principles of socialism with pragmatic market-oriented reforms, allowing the country to harness a regulated market economy while maintaining a strong centralized political structure and a steadfast commitment to socialist ideals (Riedel and Turley, 1999). Throughout this transformative journey, the Communist Party of Vietnam played a pivotal role in steering the country's development agenda, adapting to changing circumstances while maintaining political stability and shaping social policies and priorities (Gainsborough, 2010).

As the result, the impact of these political decisions resonated across various aspects of social development, including poverty reduction, access to education and healthcare, and the promotion of cultural values (Glewwe et al., 2002; Sepehri et al., 2005). By examining this multifaceted approach through a comprehensive analysis of official policies, governmental initiatives, and economic indicators, scholars have sought to unravel the intricacies of Vietnam's development model (Tarp et al., 2003; Van Arkadie and Mallon, 2003). They have evaluated the successes, challenges, and potential pitfalls encountered along the way, drawing insights from both theoretical frameworks and empirical evidence (Fritzen, 2002; Beresford and Tran, 2004). In essence, Vietnam's remarkable transformation over the past few decades has been a testament to its unwavering commitment to a socialist-oriented development model that harmonizes economic growth with social progress and political stability (Fforde, 2017; Beresford, 2008). This unique path has allowed the country to strike a delicate balance between economic prosperity and social equity, offering valuable lessons for other nations grappling with similar developmental challenges (Painter, 2005; Rama, 2008).

Moreover, while existing scholarship has shed light on various aspects of Vietnam's development trajectory, ranging from its ideological foundations and political drivers to its economic reforms and social policies, this thesis offers a fresh and comprehensive perspective by holistically examining the intricate interplay between politics and social development in Vietnam. Unlike previous works that have predominantly focused on either the political dynamics or the socio-economic outcomes, this research endeavors to bridge the gap by exploring the intricate tapestry of interactions between the two spheres. It delves into the nuanced ways in which the Communist Party of Vietnam's political decisions and ideological leanings have influenced the country's development priorities, social policies, and their subsequent impact on areas such as poverty reduction, healthcare, education, and cultural preservation. By adopting a multidisciplinary approach that synthesizes insights from political science, economics, and social theory, this thesis offers a holistic understanding of Vietnam's unique development model. It moves beyond a siloed analysis of individual factors to unveil the intricate mechanisms through which political forces have shaped socio-economic outcomes and vice versa.

Moreover, this research contributes to the broader discourse on sustainable and equitable development strategies by critically examining Vietnam's efforts to strike a delicate balance between economic growth, social progress, and political stability. It sheds light on the challenges, trade-offs, and potential pitfalls that nations may encounter in their pursuit of harmonizing these often competing priorities. Ultimately, the novelty of this thesis lies in its comprehensive and interdisciplinary approach to unraveling the complex interplay between politics and social development in Vietnam. By doing so, it provides a nuanced perspective that transcends the boundaries of existing literature, offering fresh insights and valuable lessons for other nations navigating similar developmental trajectories. Through its in-depth analysis and synthesis of

theoretical frameworks, empirical evidence, and on-the-ground realities, this research endeavors to contribute to a deeper understanding of the multifaceted factors that have shaped Vietnam's remarkable transformation, while also informing broader discussions on the intricate relationship between politics and socio-economic development.

## 1.2 Research Problem

This research is positioned at the intersection of **comparative politics** and **development studies**, with a focus on the relationship between **political regimes** and **socio-economic outcomes**. By analyzing Vietnam's socialist-oriented market economy, the study contributes to ongoing debates in the fields of **authoritarian resilience**, **state-led development**, and **political economy of reform** in post-socialist states.

**Over the past decades**, the existing scholarship has explored various facets of Vietnam's development journey, including its ideological underpinnings, political drivers, economic reforms, and social policies. However, this thesis provides a novel and comprehensive viewpoint by holistically analyzing the complex interplay between politics and social development in Vietnam. The success of Vietnam's socialist-oriented development approach is evident in its remarkable economic growth and social progress over the past few decades. Since the launch of Doi Moi reforms in 1986, Vietnam has achieved an average annual GDP growth rate of 6.4%, lifting millions out of poverty (World Bank, 2022). The poverty rate plummeted from 58% in 1993 to just 5.8% in 2016 (UNDP, 2020). Access to basic services like education and healthcare has expanded significantly, with the net enrollment rate for primary education reaching 98% and life expectancy increasing from 66 years in 1990 to 75 years in 2019 (World Bank, 2021). Research by Glewwe et al. (2002) highlights how government policies aimed at increasing school enrollment and quality of education contributed to Vietnam's human capital development. Similarly, studies



by Sepehri et al. (2005) and Tran et al. (2011) found that the expansion of public health services and pro-poor health financing schemes played a crucial role in improving health outcomes across the population. Despite maintaining a socialist political system, Vietnam has also made strides in economic liberalization and integration into the global market. Its transition towards a more market-oriented economy, as analyzed by Riedel and Turley (1999), has attracted significant foreign investment, boosted exports, and facilitated economic restructuring. Concurrently, the Communist Party has managed to retain its grip on power and steer the country's development agenda (Gainsborough, 2010). Van Arkadie and Mallon's (2003) assessment of Vietnam's development policies underscores the government's commitment to balancing economic growth with equity and social stability. Targeted poverty reduction programs, land reforms, and investment in rural infrastructure have played a pivotal role in ensuring inclusive development (Tarp et al. 2003). While challenges persist, such as regional disparities, environmental concerns, and institutional capacity constraints (Fritzen, 2002; Beresford and Tran, 2004), Vietnam's development model has garnered international recognition. The country has achieved most of the UN's Millennium Development Goals and is well-positioned to meet the Sustainable Development Goals (UNDP, 2015). Through its unique blend of socialist principles and market-oriented reforms, Vietnam has demonstrated the potential for an alternative development path that balances economic growth, social equity, and political stability. This thesis aims to contribute to a deeper understanding of the intricate dynamics underpinning this remarkable transformation, offering valuable insights for other nations striving to achieve sustainable and inclusive development.

**In the context of global development discourse,** Vietnam's pursuit of a socialist-oriented development path has yielded a unique blend of economic growth and social development, presenting a compelling case for investigation. To shed light on this phenomenon, this study will

draw upon a range of relevant data sources. Firstly, official government policies and strategies, such as the Socio-Economic Development Strategy (SEDS) and the Vietnam Sustainable Development Strategy (VSIDS), will be analyzed. These documents outline the nation's overarching development goals, priorities, and approaches, providing valuable insights into the political and ideological foundations of Vietnam's development model. Secondly, statistical data from reputable sources, including the General Statistics Office of Vietnam (GSO), the World Bank, and the United Nations Development Programme (UNDP), will be utilized. This data will encompass economic indicators such as GDP growth, foreign direct investment (FDI) inflows, and poverty rates, as well as social indicators like access to healthcare, education attainment, and income inequality measures. These quantitative data will help assess the tangible outcomes of Vietnam's development efforts. Thirdly, qualitative data will be gathered through an analysis of scholarly literature, policy reports, and media articles. These sources will offer diverse perspectives on the interplay between politics and social development in Vietnam, shedding light on the challenges, debates, and critiques surrounding the country's development approach.

Based on a critical analysis of Vietnam's post-Đổi Mới trajectory, the assumption of this research is Vietnam's socialist-oriented development path has enabled the country to pursue economic growth while retaining a strong centralized political structure governed by the Communist Party's commitment to socialist principles; however, this model has also necessitated the party's adaptation to changing circumstances and a nuanced assessment of its multifaceted social development outcomes, encompassing both successes and ongoing challenges. A key factor to explore is how Vietnam's centralized political structure has enabled the government to effectively implement economic growth policies. This raises the question of whether there is a theoretical explanation that can account for the relationship between a centralized political system

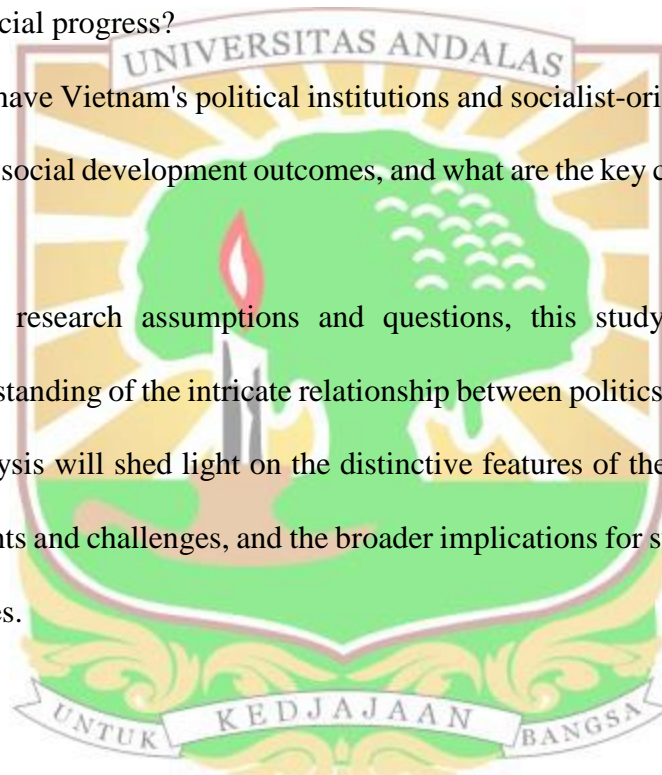
and the ability to drive economic development. This variable and its theoretical underpinnings need to be explored in this research and should be included as the first research question in the thesis proposal. Therefore, to explore the above assumption, this research focuses on answering the following questions.

1. How has Vietnam's centralized political structure influenced the country's social development policies, and what theoretical perspectives explain the balance between state control and social progress?
2. In what ways have Vietnam's political institutions and socialist-oriented economic reforms jointly shaped social development outcomes, and what are the key challenges and successes observed?

By addressing these research assumptions and questions, this study aims to contribute a comprehensive understanding of the intricate relationship between politics and social development in Vietnam. The analysis will shed light on the distinctive features of the country's development model, its achievements and challenges, and the broader implications for sustainable and equitable development strategies.

### **1.3 Objective**

This thesis seeks to provide an in-depth examination of the political framework that has guided Vietnam's development journey, with particular emphasis on the role of socialist-oriented policies in shaping the country's socio-economic landscape. The primary objective is to offer a nuanced perspective on the interplay between political ideology, governance structures, and social development outcomes. More specifically, the study aims to critically evaluate the successes and limitations of Vietnam's socialist-oriented development model, particularly in relation to poverty alleviation, access to education and healthcare, and the broader promotion of social equity and



cultural values. Furthermore, the research aspires to draw insights from Vietnam's experience that may be applicable to other countries seeking to balance economic growth with social progress and political stability.

To achieve these objectives, the study is guided by the following research questions:

1. **How has Vietnam's centralized political structure influenced the country's social development policies, and what theoretical perspectives explain the balance between state control and social progress?**

This question directly aligns with the objective of examining the role of political ideology and governance in shaping social policy. It seeks to uncover how centralized authority under the Communist Party of Vietnam has shaped decision-making processes and outcomes in areas such as education, healthcare, and poverty reduction. It also provides a basis for applying theoretical frameworks—such as developmental state theory, market socialism, and human development theory—to interpret the balance between political control and developmental goals.

2. **In what ways have Vietnam's political institutions and socialist-oriented economic reforms jointly shaped social development outcomes, and what are the key challenges and successes observed?**

This question corresponds with the objective of evaluating the actual impact of socialist-oriented reforms on development indicators. It facilitates an empirical assessment of both achievements (e.g., improved living standards, poverty reduction) and challenges (e.g., regional disparities, bureaucratic inefficiencies) within the Vietnamese model. The question also enables the study to identify lessons that may inform other countries seeking



to integrate economic growth with inclusive social policy under a politically centralized regime.

In sum, the research questions are directly derived from and fully support the stated objectives. They are designed to capture both the theoretical dimensions and the empirical realities of Vietnam's development path, ensuring coherence between the aims of the study and the analytical framework. The thesis will aim to examine the successes and shortcomings of Vietnam's socialist-oriented development model in terms of poverty reduction, access to education and healthcare, and the promotion of cultural values. It will also investigate regional disparities, institutional constraints, and environmental challenges that may hinder inclusive development. Finally, the study considers the lessons that can be drawn from Vietnam's experience for other nations seeking to balance economic growth with social progress and political stability.

#### 1.4 Research Gap and Contribution of the Study

While a growing body of literature has explored Vietnam's economic growth and integration into the global economy, fewer studies have examined the **political-institutional foundations of its socialist-oriented development model** in a comprehensive and theory-driven manner. Much of the existing research focuses either on sector-specific outcomes (e.g., health, education, poverty reduction) or macroeconomic performance, often treating the political system as a static backdrop rather than a dynamic agent shaping development trajectories.

Moreover, although concepts such as the **Developmental State**, **Market Socialism**, and **Human Development** have been applied in various contexts, **there remains a lack of integrated analytical frameworks** that bring these perspectives together to examine Vietnam's hybrid governance model. Empirical studies that connect state ideology, institutional structure, and

development outcomes using documentary evidence remain limited, particularly those that address the **interplay between centralized political control and social progress**.

This thesis seeks to address these gaps by:

- Providing a **multi-theoretical analysis** that connects political theory with empirical evidence from official documents, speeches, and development reports;
- Focusing on the **role of political institutions** not merely as background actors, but as active architects of policy logic, state capacity, and outcome delivery;
- Offering a **document-based, interpretive methodology** suited to the constraints of research in a centralized, one-party state context.

The study's novelty lies in its effort to frame Vietnam as a **living laboratory for institutional hybridity**, where socialist principles are selectively reinterpreted to accommodate market reforms.

This study is expected to make both theoretical and practical contributions to the understanding of development models, particularly those shaped by socialist-oriented frameworks. From a theoretical standpoint, it contributes to the evolving discourse on alternative development paradigms by examining Vietnam's unique path—balancing state control, market liberalization, and social equity. Such an approach is still underrepresented in mainstream development literature, which has traditionally focused on liberal democratic or neoliberal models. By exploring Vietnam's model in depth, the study helps bridge the gap in comparative political economy literature, especially regarding socialist-oriented strategies in the Southeast Asian context.

In addition, the research findings will enrich existing development theories by integrating perspectives from developmental state theory, market socialism, and human development theory. It provides empirical evidence on how political ideology, governance structures, and policy implementation intersect to produce distinct socio-economic outcomes. These insights are particularly valuable for scholars seeking to understand non-Western models of growth that prioritize both economic performance and social inclusion.

Practically, the research offers evidence-based recommendations for policymakers in Vietnam and other developing nations navigating the tensions between economic liberalization and social welfare. The findings can support ongoing institutional reforms, inform strategies for poverty reduction and regional equity, and contribute to debates on sustainable and inclusive development.

Ultimately, this study aspires to stimulate further academic inquiry into the dynamics of governance, ideology, and policy in transitional economies. It provides a foundation for future comparative research across socialist-oriented and hybrid development states, and serves as a reference for international development agencies, NGOs, and scholars examining alternatives to conventional development trajectories.

