

Schooling, the State, and Educational Inequalities in Viet Nam¹

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What is the relation between schooling, state formation, and processes of state transformation associated with the erosion of state socialism and its replacement with new institutional forms? Such a question, while historical and sociological in nature, is not merely of academic interest. For in any society, processes of state formation and transformation play a crucial role in determining the qualities, costs, and distributions of formal schooling and, in so doing, profoundly affect patterns of social change within and beyond the sphere of education.

Questions about schooling and the state are particularly interesting with respect to contemporary Viet Nam, where a communist party that rose to power on the basis of anti-colonial struggle and socialist revolution, and which pursued development on the basis of state socialism for 35 years, now presides over a rapidly-growing market economy that is increasingly enmeshed with the institutions and processes of global capitalism.

In this essay I examine formal schooling in contemporary Viet Nam from an historical perspective and in relation to the formation and transformation of Viet Nam's state. I focus my attention on primary and secondary schooling and explain their development in relation to continuity and change in Viet Nam's political and economic institutions. I am particularly interested in explaining the principles and institutions governing access to formal schooling under the rule of the Communist Party of Viet Nam (CPV), which has held power in the north of Viet Nam since the early 1950s and the whole of Viet Nam since 1975. I am especially interested in theorizing patterns of institutionalized inequality in Viet Nam's education system under the CPV.

The perspective I adopt in this essay is a political sociological one. It appreciates the practical contributions schooling makes to skills-formation, economic growth, and the promotion of social welfare. It also, however, views formal schooling as part of a larger human resource complex, which the state designs and uses to secure vital state imperatives.² These imperatives include the need to promote economic accumulation and social welfare, but also the need to maintain social order and to promote subjective legitimacy and consent.

This is not a reductionist perspective. The social forces governing the selection, conduct, and institutionalized outcomes of education policies are extremely complex and historically contingent. Viewed most broadly, they are determined through the mutually constitutive and competitive relationship between state and society. State-society relations are mutually constitutive in that the state is a socially-constituted product of broader social relations, functions to govern and shape social life, but in so doing is continuously subject to society's influences and limits. State-society relations are

¹ Cite: London, Jonathan. 2007. "Education in Viet Nam's Market Transition" in Gerald Postiglione and Jason Tan eds. *Schooling in East Asia*. Greenwood Press.

² The term 'human resource complex' is used by David Harvey (1982).

competitive, in that they involve struggles over the control and use of valued resources. Ultimately, state-society relations determine the content of state policies, the manner in which state policies, once decided upon, are actually carried out and the institutionalized outcomes of those policies. But explaining these processes and the mechanisms involved requires more concrete historical analysis.

States craft and implement education policies, but they do so in established institutional contexts that shape and limit state power. The premise of this essay is that to explain continuity and change in the principles and institutions governing education and formal schooling in Viet Nam requires an analysis of processes of state formation and transformation in relation to continuity and change in that country's political and economic institutions.

Correspondingly, the discussion is organized in three sections. In the first section I examine the development of formal schooling in Viet Nam up until the late 1980s. In it, I show how the expansion of formal schooling in Viet Nam during the 1950s, 1960s, and 1970s went hand in hand with processes of state formation. In Viet Nam, state formation involved the imposition of a revolutionary state socialist institutional template that was designed to regulate all aspects of society. Under state socialism, the formal principles governing education and schooling were quasi-universalist, in that they were designed to eventually ensure access to formal k-12 education as a right of citizenship, but actually promoted and reproduced inequalities characteristic of other state-socialist societies. Of course, process of state formation and educational development in Viet Nam also took place in the context of national partition, international and civil war, and an overwhelming scarcity of resources. I examine patterns of schooling under Vietnamese state socialism and explain how war and the poor performance of state socialist economic institutions limited the ability of the state to achieve its universalist goals. I also explain how the erosion of state socialist economic institutions over the course of the 1980s undermined state goals and generated large gaps between the formal principles and institutions governing formal schooling and the actual institutionalized outcomes of education policies.

The second section examines developments in Viet Nam's education system in the market reform era and since 1989 in particular. Viet Nam's transition to a market economy involved fundamental changes in the country's economic institutions, but also in the principles and institutions governing education and access to schooling. I show that, in many respects, developments in Viet Nam's education system since 1989 have been encouraging: economic growth has permitted continuous increases in education spending and enrollments have risen continuously at all levels, both absolutely and in proportion to the population. As I demonstrate, however, the development of Viet Nam's education system, though viewed as a 'success story' by the CPV and international development organizations, has also generated new tensions and contradictions between the CPV's professed ideologies and the actual institutionalized features of education and schooling. Of specific concern are emerging inequalities in the education system, which are in large part the product of state policies and their unintended consequences.

In the final section, I reflect on recent developments in the education sector from the perspective of inequality, social class, and the state. I argue that the changing class configuration of Viet Nam is an outgrowth of specific accumulation strategies pursued by the state. These emerging class inequalities have propelled income inequality, which tend to reinforce institutionalized inequalities in formal schooling. To conclude that the CPV has completely abandoned redistributive principles is clearly inaccurate, however. Over the last ten years, the CPV has sought to address emerging inequalities of access to schooling by way of safety-nets programs. I examine these initiatives and assess their efficacy.

When CPV rose to power in the 1940s and 1950s, it formed a new state and instituted specific formal institutional arrangements to govern politics, the economy, and education. Gradually, due to war and the poor performance of state socialist economic institutions, functional incompatibilities emerged between state education goals and the actual performance of the state socialist institutions on which education and schooling depended. The crisis of state socialism that Viet Nam experienced in the late 1980s required the CPV to fix its political rule to new strategies of economic accumulation. The transition to a market economy involved the development of a new ‘education regime,’ under which the state provides a floor of basic educational services, while education beyond this basic floor is contingent on out-of-pocket payments by households.

Overall, Viet Nam’s transition to a market economy and the growth associated with it has benefited the country and its education system in numerous ways. It has also, however, injected pernicious market principles into the shell of nominally public schools. This, in turn, has generated institutionalized inequalities whose durability and intensification over nearly two decades raises fresh questions about the interests and indeed the class character of the CPV and its avowedly socialist state.

I

Formal Schooling until 1989: the Rise and Demise of ‘Universalism’

To understand education and schooling in contemporary Viet Nam requires an appreciation of its historical antecedents. I discuss these historical antecedents first by way of an overview of formal schooling in the long period leading up to the CPV’s rise of power. The main focus of this section, however, is the development of schooling under Vietnamese state socialism, a period running from the early 1950s in the north, and from 1975 on a national scale, up until the late 1980s, when core institutions of state socialism and state socialist education policy unraveled in a fiscal crisis.

Historical Antecedents: Idealized Cultural Values vs. Historical Patterns

Viet Nam has a Confucian cultural heritage. Formal education, learning, and academic and intellectual achievement have been regarded for thousands of years to be among the noblest human pursuits. The actual social history of formal education and schooling in Viet Nam is another matter. Until very recently, formal schooling in Viet Nam was an opportunity for a privileged few. In what follows, I provide a brief historical overview of the principals and institutions governing formal schooling during Viet Nam’s long period of dynastic feudalism and during the subsequent period of French colonialism. Macro-historical antecedents are not my primary concern, and are therefore discussed in the briefest possible terms. Be that as it may, an appreciation of these historical antecedents permits a fuller understanding of formal schooling in the contemporary context.

Education and formal schooling are closely linked to Viet Nam’s Confucian heritage. Education has and continues to be viewed not simply or even primarily as a means for personal pursuits, but also requisite for the inculcation of wisdom and rectitude. However, through centuries of dynastic rule and feudalistic class relations, formal education remained beyond the reach of all but a tiny minority. Viet Nam’s rich Confucian heritage must not be confused with ‘education for all’. While village schools were an important institution in dynastic-feudal Viet Nam, such schools never approximated a coherent formal system of schooling.

Opportunity structures within Viet Nam’s education system have a longstanding relation to the country’s political institutions. As Alexander Woodside (2006) has recently pointed out, the competitive examination systems that existed in Viet Nam and funneled qualified subjects into its mandarin state amounted to a ‘meritocratic’ and formally rational system of bureaucratic recruitment and preceded the development of similar arrangements in Europe by several centuries.³

French colonialism altered but did not radically transform Viet Nam’s education system, as the goals of formal schooling under French colonialism ran subordinate to the interests

³ Alexander Woodside. *Lost Modernities: China, Vietnam, Korea, and the Hazards of World History*. (The Edwin O. Reischauer Lectures, 2001.) Cambridge: Harvard University Press. 2006. Pp. 142.

of colonial domination and exploitation. Despite the establishment of new primary schools in some areas, the operation of informal or autonomous schools was generally prohibited. Formal schooling remained the privilege of a relatively small minority, while the content of the education served the interests of empire. Schools provided training tailored to the needs and functions of the colonial bureaucracy. As late as the 1940s, Viet Nam featured only 3 high schools, in Hà Nội, Huế, and Sai Gòn.

Although the development of formal education under French colonialism was limited, formal education played an important role in determining opportunity structures under the French colonial regime. Positions in that colonial bureaucracy were limited, however. Some Vietnamese who failed to gain such positions grew increasingly disaffected and traveled overseas for training and to develop the anti-colonial movement. One such individual was Nguyen Ai Quoc, who later took the name Ho Chi Minh.

The 19th and early 20th centuries in Viet Nam was a period of lively intellectual debate and increasing political ferment.⁴ For the anti-colonialists and broader segments of Viet Nam's population, education and schooling were perceived as clear instances of colonial oppression. Calls to expand education and schooling were rallying cries from the very beginning of the anti-colonial and pro-independence struggles. While the Workers Party (later renamed as the CPV), established in 1929, was certainly not the first to integrate education and schooling into their political platform, it consistently linked the country's colonial exploitation to the French authorities' restrictive education policies. The party criticized the French denial of education to Viet Nam's masses, calling it a deliberate strategy of promoting ignorance (*ngu dân*), and therefore dependence and submission.

For the centuries of social history that preceded the rise of the CPV, the principles and institutions governing education in Viet Nam produced conditions under which education, while accorded great respect, was available to a small minority of the population. French colonialism transformed Viet Nam, but limited the growth of its education system at a time when Vietnamese were beginning to recognize the necessity of mass education. The revolutionary politics of the Workers Party recognized this from the beginning, and when it declared independence in 1945, it had ambitious ideas about the future of education and formal schooling in Viet Nam.

Revolutionary Ruptures and the Principles and Practices of Socialist Universalism

The rise of the CPV in the 1940s owed to an alliance between a small cosmopolitan and radicalized intelligentsia on the one hand, and peasants and proletarians mobilized under the banner of self-determination and emancipation on the other. This class alliance, infused with nationalist and Leninist ideologies, created the conditions for the defeat of the French and, after 1954, the development of an independent state, the Democratic Republic of Viet Nam (DRV).

⁴ For a particularly stimulating account of intellectual currents during the later phases of French colonialism, see Marr (1981).

The DRV was a bureaucratic-authoritarian and revolutionary state founded on the principles of social justice, coercive-collectivist economic organization, and quasi-egalitarian social welfare institutions that promised universal access to state-funded social services as rights of citizenship. Crucially, the development of the DRV involved the establishment and imposition of a new template of formal institutions. This template included political and administrative institutions, economic institutions, and new fiscal arrangements. After 1975, the CPV extended this institutional template to the southern half of the country.

The development of formal schooling in Viet Nam's during the 1950s, 1960s, and 1970s thus coincided with this process of extensive state formation under the CPV's leadership. This was a period characterized by revolutionary politics, rapid institutional change, war and large-scale wartime social mobilizations. Viewed historically, however, the 1950s and 1960s represented a particularly radical turning point in the history for formal schooling in Viet Nam, as the CPV promoted formal schooling on a mass scale.

As I illustrate, however, the development of state socialism in Viet Nam as in other socialist states did not go according to plan. The formal institutions of state socialism generated new class tensions and new contradictions, and these were visible in the institutionalized outcomes of education policies. After the war, Viet Nam experienced extensive developments in that the geographic coverage of the system expanded rapidly, while sharp limitations remained on the quality of schooling, due in large part to the severe economic constraints the country faced during the period.

The Political Economy of State Socialism in Viet Nam

The state socialist development model the CPV pursued until the late 1980s was designed to achieve rapid industrialization. By promoting a dual economy where agriculture would feed industry, the strategy was designed to avoid the perceived traps of dependent capitalist development. Although the collectivization of agriculture showed promising results in the early stages, the full implementation of the Vietnamese state socialist development strategy was retarded and distorted by ever-pressing military and strategic demands. The poor performance of state socialist economic institutions combined with systemic flaws of central planning and a prevailing poverty of resources undermined the aims of state socialism.

Politically, state socialism rested on bureaucratic-authoritarian control. In principle, this was 'democratic centralism,' whereby the state machinery would work as a conveyor belt to bring the masses concerns to the political center. In effect, the political institutions of state socialism were designed to control and govern all facets of social life, from politics and the economy to culture.⁵ In times of war, this system proved useful for the purposes of mass mobilization and to reinforce the political authority of the CPV. In wartime northern Vietnam, the CPV did indeed gain broad popular support as it was viewed as the

⁵ The integrated political and administrative grid the CPV used to manage society under state socialism remains largely intact today. For more on Viet Nam's politico-administrative hierarchies, see Porter (1993), Phong and Beresford (1998), and Kerkvliet (2005).

champion of national self-determination and a more just social order. After the war, in southern Vietnam, political support for the Party was more fragile. As we will see, this hampered efforts to implement state socialism in the postwar context.⁶

In the economic sphere, the state socialist regime's most important components were the coercive collectivization of all economic activity and the subordination of those activities to the institutions of central planning. In so doing, the state sought to boost production in all sphere, accumulate surplus savings from agriculture, and use these savings to invest in heavy industry and infrastructure, to lower the wage and food bills of state officials and urban workers, and to finance the provision of social services, such as public health and education. There was, however, a clear dualism in the system, as agriculture and with it rural populations' livelihoods were subordinate to the development of industry and the material interests of state officials and workers in cities. In rural areas, agricultural collectives were expected to finance the operation of social services, including education, whereas in urban areas funds for education were transferred to localities from the central budget.

The economic outcomes of Vietnamese state socialism were correspondingly uneven. The collectivization of agriculture provided economic security to scores of previously landless peasants and boosted agricultural production in northern Viet Nam in the late 1950s and 1960s. But, over the long haul, both agricultural and industrial policies failed to produce the promised outcomes. Decades of war were massively destructive and inevitably contributed to Viet Nam's poverty, and the political and economic blockade imposed on Viet Nam for 15 years by China and the United States only made matters worse. But poorly integrated and poorly performing state socialists economic institutions were, in and of themselves, a great contributor to Viet Nam's continued poverty in the 1980s.⁷

In essence, the state socialist regime was a *dualist* regime that subordinated and exploited the agrarian population for the advancement of industrialization.⁸ Though inspired by principles of egalitarianism, state socialism promoted its own form of inequality and unequal citizenship. The functioning of the Viet Nam's political and economic institutions ensured party members and state managers privileged access to scarce resources. Before 1975 in the north, and after 1975 in the south, Vietnamese with 'suspect' class backgrounds or affiliations were routinely subject to political, economic, and social exclusion and were denied equal treatment. Clearly, the CPV's political and economic policies achieved significant redistribution of land and capital in what had been a vastly inegalitarian society. Yet, to view the CPV as a timeless champion of social equality – the starting point for many contemporary analyses – is to vastly oversimplify the party's mixed record.

⁶ In the postwar south, the party's efforts to implement land reforms met with myriad forms of resistance (Ngo, 1991; White, 1986). As Benedict Kerkvliet (2005) has recently shown, even in northern Viet Nam of the 1960s, the state's efforts at coercive collectivization met various forms of resistance.

⁷ See Beresford (1989a, 1989b, 1997); Fforde (1999); Fforde and deVylder (1996).

⁸ Specifically, agricultural producers had to sell their produce at artificially low prices, to the detriment of household welfare, local revenue, and the quantity and quality of services in rural areas (Vo, 1990).

Formal principles and institutions of education under state socialism

That the formation of Viet Nam's mass education developed as quickly as it did in the context of a war of national independence and amid severe poverty and scarcity is a testament to the determination and mobilizational capacities of the Communist leadership and the sheer enthusiasm for education of Viet Nam's population. The expansion of formal education in Viet Nam after in the 1950s and 1960s was indeed undertaken with revolutionary fervor. Education policies during this period appeared to embody the class interests of the newly forming and broad based revolutionary state. That these 'objective' class interests contained their own internal contradictions became apparent with the development of state socialism.

Under the CPV, Viet Nam completed a transition from centuries of exclusionary, elitist educational institutions to a mass education system designed to improve literacy and eventually create a foundation for socialist development. During this period, the scale of formal schooling in Viet Nam experienced remarkable growth.

Under dynastic feudalism and French colonial domination, formal schooling in Viet Nam was accessible only to a tiny minority. By contrast, the CPV promoted mass education, and eventually made access to K-12 education a right of citizenship.⁹ In the 1940s and 1950s, the CPV pursued mass education largely through literacy campaigns.¹⁰ In the 1950s, the new DRV state undertook concerted efforts to build a comprehensive formal education system in northern Viet Nam. This was a massive task that required the recruitment and training of hundreds and thousands of teachers and the development of new administrative institutions. The distinctiveness of mass education in Viet Nam under state socialism lay in the formal principles and institutions governing education finance.

During the period of state socialism, the state (formally) assumed all costs of education provision. As indicated, in rural areas schools were funded on the basis of resources from local economic units (principally agricultural collectives) and transfers from the central budget (mostly for infrastructure and, less so, to supplement teachers' wages). In urban areas, schools were financed by transfers from the local and central budgets. As such, schools in rural areas had a greater dependence on the performance of local economic institutions.

Another important formal principle governing education under state socialism was its high degree of centralized organization. In theory, if not in practice, the Ministry of Education (later the Ministry of Education and Training) established all budgetary, administrative, and pedagogical norms.¹¹ In Viet Nam today, institutions of governance in the education sector have grown increasingly decentralized, a consequential difference to which I will return later in this essay.

⁹ The 1982 constitution stipulated that all citizens had a right to K-12 education.

¹⁰ For more on this, see Pham (1999, p.51) and London (2003).

¹¹ Local spending on education was supposed to follow a series of centrally determined budgetary norms and formulae and, in principle, was tailored to the conditions and needs of urban and rural areas.

Institutionalized Outcomes: Patterns of formal schooling under state socialism

Viewed in terms of enrolments, the history of formal schooling in Viet Nam under state socialism followed a trajectory of rapid expansion during the 1950s and 1960s, slow growth and postwar expansion in the 1970s, and stagnation and crisis in the mid to late 1980s.

During the late 1940s and 1950s, the CPV expanded the scale of formal schooling, building on the pre-existing patchwork of informal village schools and the smaller number of colonial schools. By 1957, the number of primary school students in northern Viet Nam *alone* was three times the number of primary students in the entire country in 1939. In 1939, only 2 percent of primary school students advanced to higher educational levels. By 1957, this figure had risen to 13 percent (Pham, 1999, p.51). Massive dislocations that accompanied the onset of US bombing in northern Viet Nam in 1965 did not throw the education system into turmoil. On the contrary, the urgency associated with the war effort created conditions for more effective mass mobilization and the scale of formal schooling actually expanded.¹² Urban schools destroyed by US bombs were rebuilt in the countryside, where they were less vulnerable to attack.¹³ Between 1965 and 1975, gross enrollments in northern Viet Nam saw increases at all levels, as did staffing levels (MOET, 1995a, pp.7-8).

After 1975, under the banner of the new and unified Socialist Republic of Viet Nam, the CPV implemented education policies that aimed to ensure access to K-12 education for all Vietnamese and to expand the country's higher education in the service of socialist industrialization. According to official statistics, Viet Nam continued to achieve important gains in terms of accessibility to formal schooling.¹⁴ By the mid 1980s, education indicators were comparable to countries with income levels 10 times that of Viet Nam's.

As impressive as these statistics appeared, official statistics on ebbs and flows in enrolment figures leave much concealed and are inadequate metrics for grasping the realities of schooling during the state socialist period. State statistics and official documents did not call attention to prevailing inequalities in the spatial distribution of education provision across regions, the limited scope and quality of schooling, or access to education among different population segments. Of course, spatially uneven development is a feature of social life in any society. My point is simply to note differences between the ideals underpinning education policies and those policies' actual institutionalized outcomes.

¹² According to anecdotal evidence, boys drafted into the army were often awarded upper secondary school diplomas after one year of education.

¹³ See Ministry of National Defense (1990).

¹⁴ For example, between 1975 and 1980, gross enrolments in primary, lower secondary, and upper secondary education increased by 19%, 25%, and 28%, respectively (General Statistics Office, 2001), while between 1981 and 1990, the number of primary school teachers in Viet Nam increased by some 20%, including an increase of 35% in the southern part of the country (MOET, 1992, p.40).

Three points warrant particular emphasis. First, the combined effects of wars, prolonged economic isolation, and the poor performance of state socialist economic institutions severely constrained the scope and quality of formal schooling. In most rural areas, going to school consisted of 3-hours of studies in dirt-floored thatched huts. Second, while education policies were progressive in principle – and were indeed more egalitarian than policies pursued in many other societies, they also promoted and reinforced inequality by conferring greater access to better services for urban dwellers over rural ones and, even more pronouncedly, to those with party ties.¹⁵ Finally, after 1975, significant segments of southern Viet Nam faced exclusionary practices on the basis of their families past political allegiances. There is an abundance of anecdotal evidence that families and entire villages with past ties to the Republic of Viet Nam regime were denied access to schooling.

From a class perspective, the education system that developed under the state socialist regime displayed clear cleavages, both with respect to the question of access to educational opportunities and to the quality of formal education. It subordinated the countryside to the city while creating privileged strata of state functionaries. Within this broad structural relation, a class hierarchy existed in which members of the nomenclature and state-affiliated populations enjoyed relatively privileged access to educational opportunities. Urban residents had comparatively good access to schooling, while rural populations enjoyed considerably less. Ethnic minority groups, comprising some 15 percent of the population, experienced varying degrees of exclusion due to their settlement in remote areas, as well as linguistic differences and the paltry amount of state resources committed to their education compared to their needs. Finally, in the post-American War context, Viet Nam exhibited a political underclass of those with historical ties to the fallen Republic of Viet Nam, and who were systematically denied educational opportunities beyond a certain level.

Formal Schooling and the Demise of State Socialist Universalism

Indicators of progress regarding the extension of formal schooling during the mid 1980s masked the fragility of the state socialist economic institutions on formal schooling depended. During the late 1980s, the institutional arrangements responsible for financing education in Viet Nam gradually disintegrated as the planned economy unraveled.¹⁶ The results were devastating. Between 1980 and 1990, Viet Nam registered only a minor increase in its gross enrolment, even though the country gained millions more school-age children. By end of the decade, dropout rates soared, particularly at the secondary level of education. The causes and consequences of these developments are discussed below.

Viet Nam's transition to a market economy was a 10-year process of institutional decay whereby the core institutions of state socialism gradually lost their force, threatening the

¹⁵ Ethnic minority groups account for roughly 15% of the population and, with the exception of the wealthier Chinese, were far less likely to have access to education due to their settlement in remote and neglected regions, cultural barriers, and other reasons.

¹⁶ The continuing poor performance of Viet Nam's economy was compounded by the country's political and economic isolation under the US-Sino embargo.

coherence of the economy and the survival of the state. After 1975, war-damage, international isolation, and a severe poverty of resources undermined the viability of state socialist developmentalism. But the mechanism that unraveled the state socialist economy lay at the micro-foundations of the economy where, in all sectors, economic producers' grassroots deviations from the dictates of central planning.¹⁷

In principle, all economic actors in a planned economy, from agricultural producers to state-owned industrial enterprises, produce to boost economic accumulation and advance the political and economic causes of the state. Yet, by the 1980s, responding to conditions of extreme poverty and to incentives in a poorly integrated economy, economic producers (including state-owned enterprises) adopted increasingly brazen survival strategies that contravened formal state procedures and rules. The central government sought to contain these 'spontaneous' reforms by introducing successive rounds of top-down reforms designed to control, limit, and steer change processes that were already occurring.

Economic reforms toward the late 1980s, such as output-contracts in agriculture and new trade laws for state-owned enterprises, boosted economic outputs by allowing economic producers to engage in market exchange. These post-hoc reforms improved economic incentives. But this limited liberalization also had the effect of diverting economic resources from the central budget, and thus undercut the financial bases of state functions, including education. Politically, the gradual disintegration of the planned economy and its fiscal institutions weakened the powers of the central state vis-à-vis the localities and compromised the central state's fiscal integrity, resulting in a prolonged fiscal crisis that ended only with the abandonment of core state socialist institutions.

Locally, the disintegration of state socialist economic institutions meant the demise of collectivist arrangements set in place to finance formal schooling. This would prove especially damaging to schooling in rural areas. As the 1980s wore on, the gradual dissolution of agricultural collectives gathered pace. The already paltry amount of local resources available for schooling declined precipitously.

In economic terms and with respect to living standards, the shift to household production in agriculture and the expansion of markets provided direct and immediate relief. For education and other public services, there would be no short-term relief. With the hyperinflation and evaporating state budgets of the late 1980s, national and local investments in education fell sharply in real terms. Education sector workers faced declining wages from an already low base. In many, especially rural, areas, teachers went for months without compensation, and teachers across the country expanded their economic activities outside of the school. Across the country, the quality of education deteriorated as the flow of resources into the education system dwindled. Morale among teachers also declined and many left teaching altogether in search of a living wage.

Under state socialism, the CPV-led state realized many important gains in education and did so in the face of overwhelming challenges. But by 1989, Viet Nam's thirty-five-year

¹⁷ This account draws largely on the work of Adam Fforde (1999) and Melanie Beresford (1997).

experiment with state socialism came to an unexpected conclusion. The withering of state socialist economic institutions necessitated a reworking of the financial and fiscal basis of formal schooling. In 1989, the CPV took its first step away from the universalist principles that had guided education policies since the 1950s, when the (rubber-stamp) National Assembly met in a special session to pass a constitutional amendment permitting the state to charge school fees. Whether sharp declines in enrollment at the time predated or were exacerbated by the introduction of fees is the subject of some debate. What is clear is that enrolment rates fell sharply while dropout rates soared. Between 1989 and 1991, dropouts increased dramatically by up to 80 percent in secondary schools in some areas, while nationally, new enrolments declined sharply and would not reach 1985 levels until the mid 1990s.

II

State Transformation and Schooling Under a Market-Leninist Regime

Since the end of the 1980s Viet Nam has developed a market Leninist welfare regime that, alongside its bureaucratic-authoritarian political institutions, exhibits the economic institutions of a state-dominated market economy. In the sphere of social policy, this welfare market regime offers a basic floor of social services but demands large-scale out-of-pocket payments from service users. With images of Marx and Lenin adorning school teachers' offices but access to education on a pay-as-you go basis, the CPV's ideology, its policies, and their outcomes are a strange and often contradictory amalgam of Leninist and neoliberal principles.

Clearly, Viet Nam's rapid growth has permitted increases in the scale and accessibility of formal schooling. But economic growth has been accompanied by fundamental changes in the principles and institutions governing education and other formerly nominally public services. Understanding the scope, significance, and limits of the improvements in formal schooling since the early 1990s requires an appreciation of Viet Nam's political and economic institutions during this period, continuity and change in the formal principles governing education, and outcomes of these policies nationally and at the grassroots.

Political and economic institutions of market Leninism

Viet Nam's transition to a more market-oriented economy has entailed important changes in its economic institutions and less dramatic, though still significant, changes in its political and administrative institutions. Politically, however, Viet Nam's experience contradicts the conventional liberal assumption that the transition from central planning to a market economy entails a decline in the political and economic power of the state, and the central government in particular. In Viet Nam, the state has used the expansion of the economy (and especially foreign trade) to strengthen its revenue base. Though the fiscal crisis of the middle and late 1980s did test the CPV's political command, the command of the Party today is arguably stronger than ever.

Substantively, however, it is changes in the economy that have been most consequential for schooling. Over the course of the 1990s, Viet Nam developed an economy comprised of a combination of household-based agriculture, state oligopolies in industry and trade, and a lively small-scale services sector. State-owned enterprises remain the most important players in the domestic economy, and they have partnered with foreign investors to produce for both the domestic and foreign markets.

Spatially, industrialization has been concentrated in and around Ho Chi Minh City and Ha Noi, boosting local revenues of provinces and municipal authorities in those areas. While there have been quite significant transfers of economic resources from wealthy provinces to the central government for redistribution, provinces with high revenues enjoy residual claimancy status in that they have been entitled to retain control over revenues in excess of central state targets (World Bank, 1996a; Socialist Republic of Viet Nam and World Bank, 2005).¹⁸ The essential spatial duality of Viet Nam's economy has remained: the country has seen high growth in a few provinces, but quite slow growth in many others. In poor areas of the country, growth in household earnings have lagged far behind and economic change has transpired at a much slower pace, and local authorities rely heavily on the central budget for the lion's share of their revenue. The agglomeration of economic activities, facilitated by patterns of state investment, has contributed to the generation, reproduction, and intensification of regional inequalities, which are visible in the education sector, as we will see.

Formal principles and institutions of education under market Leninism

The collapse of state socialism required Viet Nam's state to reconstitute state-society relations on the basis of new economic institutions. It occasioned a reconstitution of the social contract. Prior to 1989, mass education policies in Viet Nam had sought to ensure access to K-12 education as a right of citizenship. Since 1989, and especially since the early 1990s, the thrust of Viet Nam's mass education policies has been to provide a basic floor of education services through a free primary school education, while promoting a "cost-sharing" regime at most other levels of schooling, effectively shifting the financial burden of education provision from the state onto individual households. In the 1992 constitution, access to K-12 education was no longer described as a right of citizenship.

In terms of principles, perhaps the most important change is associated with the party line on *socialization*. Socialization (*xã hội hóa*) is an oddity, lying somewhere between an institutionalized rhetorical refrain and official doctrine. It's starting point is the assertion that, in the "post-subsidy period" (*hậu thời kỳ bao cấp*), the state can not provide for all needs and therefore the state must encourage and create conditions for 'all segments of society' to contribute to the provision of education. Socialization, then, sounds a note of communalism. Through some discussions with Party members in Ha Noi, I have come to believe there is some substance to socialization, after having initially dismissed it as privatization by another name. Of course, not everyone in Viet Nam is a Ha Noi policy intellectual and 'socialization' is interpreted and acted upon by different individuals and

¹⁸ Sepehri (2004) provides a useful summary of research on user fees in Viet Nam's education and health sectors.

organizations in different ways. Indeed, while socialization is often discussed as a bottom up and top down strategy for mobilizing societal resources, its basic effect in education has been to shift an increasing share of the costs of schooling onto households. In this sense, socialization in Viet Nam carries a meaning precisely opposite of the term's most widely understood meaning in 'the West', where socialization refers a process whereby the state assumes financial responsibility for certain services.

Two practical effects of socialization are particularly noteworthy. First, since 1989, fees for schooling have expanded continuously so that an average household can expect to pay five or six different types of school fees, in addition to other expenses discussed below.¹⁹ As a result, tuition fees have become a significant expenditure for households.²⁰ A second important effect of socialization is the state's decision to permit and promote 'semi-public' and 'non-state' (i.e., private) provision of non-primary education and to promote a new and rather odd type of student – the "semi-public student." These components of socialization reduce financial burdens on the state while increasing burdens on certain households. Resolution 90 of the National Assembly, which was adopted in 1993, introduced a full set of rules permitting the foundation of non-state school forms, including semi-public (*ban cong*) schools, semi-public classes within public schools, and people-founded (*dan lap*) private schools.²¹ Semi-public schools and classes are partially subsidized through the state budget, but students have to pay three to four times more than public students. In practice, this is a blueprint for a two-tiered dualist education system.

Institutionalized outcomes: patterns of schooling under market Leninism

Viet Nam's economic growth over the last two decades has permitted continuous expansion in the scale and scope of schooling. Rapid economic growth has enabled continuous growth in total spending (i.e., state and non-state) on education, including substantial investments in infrastructure and establishment of schools in previously underserved areas. As a result, Viet Nam is approaching universal provision of primary education, something striven for but not achieved under state socialism, when it was a significantly poorer country. Gross and net enrollment in primary schools, and lower and upper secondary schools have increased dramatically since the early 1990s. Vietnamese today enjoy wider access to formal schooling than at any time in the country's history.

¹⁹ When first introduced in 1989, school fees were set at the cash equivalent of 4 kg and 7 kg of rice per month for lower and upper secondary students, respectively. By 1993, the state eliminated school fees at the primary level, but increased fees for lower and upper secondary education.

²⁰ Survey data on household education expenditure reveal that by 1996-1997, school fees accounted for 46.1% and 61.7% of yearly education expenditures per lower and upper secondary student, respectively (General Statistics Office, 1999). Other education expenditure includes spending on books, transport, as well as after school "extra study" (discussed in the next section).

²¹ The semi-public status is for students who perform below a certain level in lower and upper secondary school entrance examinations. People-founded schools are, by contrast, financially autonomous from the state education budget but are subject to state curriculum requirements, and are typically more expensive. Both semi-public and people-founded forms are permitted at all levels of education except the primary level.

With a single-minded focus on qualitative indicators of progress, one misses some of the most important problems, tensions, and contradiction in Viet Nam's education system. These include unevenness in the accessibility and quality of education across regions and population segments, inequalities within the education system owing to state policies and their intended and unintended effects, and the general movement toward an education system in which opportunities are increasingly contingent on household's ability to mount increasingly large out-of-pocket expenditures. Some of these problems can be observed in data on enrolment and patterns of education finance. What aggregated data fails to capture are the actually institutionalized features, or the "institutionalized rules," governing schooling at the grassroots.

Enrolments

After declining in the late 1980s and early 1990s, school enrolment in Viet Nam has since expanded continuously at all levels. The most rapid expansions occurred during the mid 1990s, but the upward trend has continued since, with especially notable improvements at the lower secondary level. Upper secondary education has grown at a slower pace, partly, as we shall see, because it involves significant household expenses.

Between 1994 and 2003, net primary school enrolment increased from 91.4 to 97.5 percent. Dropout rates at the primary level have declined markedly.²² Enrolment gains are significantly due, in part, to investments in infrastructure, such as the construction of new classrooms and schoolhouses, as well as roads, bridges, and improvements in transport, all of which have made schools more accessible in spatial terms. Triple-shift schools – where classes were offered three times a day due to space constraints – have been virtually eliminated (World Bank, 2004). Large gaps that previously existed in enrolment rates between rural and urban areas have declined at the primary and lower secondary levels.

There remain problems with respect to primary schooling. The poorest segments of society have not been effectively integrated. According to the World Bank (2004), almost half the 10 percent of children not attending primary school came from ethnic minority groups. In 1998, 82 percent of children from the lowest expenditure quintile of the population were enrolled in primary schools, compared to 96 percent for the wealthiest quintile (General Statistics Office, 1999). While all segments of Viet Nam's population experienced gains in enrolment during the 1990s, over 50 percent of all children not in school came from the poorest fifth of the population (World Bank, 2004, p.14).

The most dramatic gains in enrolment have occurred at the lower-secondary level. Between 1990 and 1998, gross lower secondary enrolment nearly doubled, from 2.7 million to 5 million (Poverty Working Group, 1999, p.9), while net enrolment rates increased from 57.6 percent in 1998 to 80.6 percent in 2003 (SRV & World Bank, 2005, p.10). Viet Nam's government aims to achieve universal access to lower secondary

²² By 1998, roughly 66% of children of primary school age were actually completing their primary level education (United Nations, 1999). This figure had increased to 83% by 2002, though to just 76% according to the World Bank (2004).

education by 2010 and to eliminate all fees for this level of schooling. Enrolment in upper secondary education has shown similarly rapid increases. The growth of enrolment in upper secondary schools has risen from roughly 700,000 in 1991 to two million in 1999, with net enrolment increasing from 25.7 percent in 1998 to 36.6 percent in 2002. Notably, Viet Nam has not experienced large gaps in enrolment among boys and girls, although gaps increase at higher levels. The government has been targeting a nationwide net enrolment rate of 80% by 2005 and 90% by 2010 for lower secondary education (SRV & World Bank, 2005).

While secondary enrolment in Viet Nam has grown significantly over the last 15 years, the country's secondary schools exhibits significant and, in some senses, intensifying social inequalities. This is evident in the different rates with which enrolment figures have risen across regions and social groups and in inequalities between ethnic groups and between boys and girls. According to Viet Nam's most recent household living standards survey (General Statistics Office, 2003), the gross enrolment rate for lower secondary education was just 53.8 percent for the poorest income group, compared to 85.8 percent for the richest group, while for upper secondary education the corresponding figures were 17.1 and 67 percent, respectively. While the net enrolment rate for lower secondary education was almost 80 percent for ethnic Vietnamese (or *Kinh*), it was just 48 percent for ethnic minorities. Between 1993 and 1998, the gap in enrolment figures between the richest and poorest quintiles of the population fell for the 6-10 and 11-14 age groups, but rose for the 15-17 age group. In 1998, 15- to 17-year-old students from the wealthiest quintile were some 61 times more likely to be enrolled in school than those from the poorest quintile (General Statistics Office, 1999). There is also a persisting and, in some respects, widening gap in the scale, scope, and quality of schooling across regions. This owes in large part to the inability of poor provinces, districts, and schools to mobilize funds, a problem whose dimensions become clearer through an analysis of patterns of education finance.

Paying for schooling

The most distinctive differences between the principles and institutions of the state socialist and market Leninist regimes concern education finance. Viet Nam's rapid economic growth has expanded the overall amount of resources available for investment in education and the country has seen increases in education spending by the state, households, and international donors.²³ However, increases in the scale of investments have been accompanied by a shifting of the burden of education finance from the state onto households. Some analysts have argued that the state's emphasis on achieving universal provision of primary education has improved the "progressiveness" of education provision for the simple reason that poorer households in Viet Nam tend, on average, to have more children (see World Bank, 2004). The changing responsibility for education finance has introduced new problems, however. Specifically, the increased

²³ International organizations include bilateral donors and multilateral development agencies, as well as non-governmental organizations. Together, they represent a significant source of education finance, with the development agencies intimately involved in shaping education policy. The role of international organizations in Viet Nam's education is to be discussed elsewhere due to space consideration.

responsibility of households has fuelled the development and reproduction of inequalities of access to secondary education and upper secondary education in particular.

Since the early 1990s, annual state expenditure on education has increased continuously, both in absolute terms and as a share of GDP.²⁴ By 2002, state expenditure on education (and training together) amounted to 4.4 percent of GDP.²⁵ The government's increasing capital expenditure in education, which nearly doubled between 1990 and 2002 (SRV & World Bank, 2005), has allowed for the extension of education services to previously underserved areas. In recent years, the government has also undertaken two rounds of long-awaited pay increases for teachers, who had been among the lowest paid in the region (in relative terms). Still, Viet Nam's state spends less on education than many other countries in the region.²⁶

One of the most important recent changes in Viet Nam's education system has been the decentralization of education administration, and this may have a profound affect on schooling in the years to come. Currently, transfers from the central budget to provinces for education are set every three years, based on the projected population size, the school-age population, and other considerations such as the socio-economic status of the province. At the same time, education authorities at the provincial and district levels exercise an increasing degree of discretion in allocation of funds and setting of fees. In 2006, Decree 43 of the government granted all public service providers increased discretion over their financial operations and encouraged providers to adopt a "business model" of management to increase revenues and reduce their dependence on the state budget. The impacts of this decree in the education sector have not yet been subjected to systematic research. In theory, central norms are supposed to prevent provinces and districts from adopting onerous policies as there are various inspectorates and Party cells within the education sector. Actual practices may be expected to diverge, though.

Already, Viet Nam's households invest a sizeable portion of their incomes in their children's schooling. The increased average household earnings that Viet Nam experienced during the 1990s were reflected in expenditure data on education. Although inflation in Viet Nam between 1993 and 1998 was a cumulative 44.6 percent, household expenditure on primary, lower secondary, and upper secondary education during the same period increased by 70, 65, 70 percent, respectively.²⁷ Annual household expenditure on education rose 14 percent between 1998 and 2002 (General Statistics Office, 2003). According to estimates, household expenditure now accounts for over 50 percent of all spending on education. However, household expenditure on education varies sharply between urban and rural areas, and across seven different geographical

²⁴ Today, education expenditures represent roughly 17% of the national budget ("Labour and education issues put on Prime Minister's table today," *Thanh Nien*, 12/072004)

²⁵ London (2004) specifies the functional distribution of state education expenditures.

²⁶ Whereas Viet Nam's education budget has just recently eclipsed the 3% of GDP mark, the corresponding figure is 4.2% in the Philippines, 5.4% in Thailand, and 6.7% in Malaysia (ADB data cited in "Lao dong va giao duc [Labour and education]," *Lao Dong*, 20/09/2004).

²⁷ According to the Ministry of Finance, inflation for the years 1994, 1995, 1996, 1997, and 1998 ran at 14.7%, 12.4%, 4.5%, 3.8%, and 9.2%, respectively.

regions.²⁸ Household expenditure on education was, on average, three times greater in urban areas than rural ones, while the wealthiest quintile of the population spent more than six times that of the poorest (*ibid.*). Hence, economic growth and improved household earnings have led to increased education expenditure, but these expenditure levels reflect the uneven spatial distribution of economic growth and growing inequalities in household income.

Fees are one cause of rising household expenditures on schooling. Although the state charges lower fees for education in rural areas (and especially in poor regions), fees in both urban and rural areas have increased over time. Moreover, fees increase as students advance through the grades of mass education, meaning that poorer households in urban and rural areas are confronted with increased costs over time, making the incentive to stay in school questionable for many households as their children proceed up the school ladder. As indicated, fees are several times greater for students attending semi-public or people-founded schools. Although these categories represented less than 1 percent of all primary education and just 5 percent for lower secondary education, 32 percent of upper secondary students were enrolled in semi-public schools by 2003, and the numbers are growing (MOET, 2005).²⁹ (During fieldwork in Quang Nam province in 2000, I found that semi-public students in public schools paid five times the tuition of public students.) In addition to tuition, local (i.e., district and commune) authorities also collect annual construction “contributions”, compulsory payments that are earmarked for school upkeep and renovation. Non-tuition costs can be more onerous for poorer households and, thus, the cost of education can remain burdensome even when fees are exempted or reduced. In essence, then, formal fees and other government cost-recovery schemes represent an important but limited portion of total household expenditures on education.

Outside of rising enrolments and increased overall spending on mass education, one of the most important, though typically underreported,³⁰ dimensions of change in Viet Nam’s mass education system has been the rapid growth of an informal education economy known as ‘extra study’ (*hoc them*), which operates within, outside, and on the borders of the state’s formal school system. It is difficult to detect the presence or significance of this informal economy from standard education statistics or reports from international aid organizations. However, extra study is pervasive and, in practical terms, can be as important as the formal school system itself. Any Vietnamese parent will agree.

²⁸ Viet Nam’s seven geographical regions include the two richest regions – the southeast (including Ho Chi Minh City) and Red River Delta (including Ha Noi and Hai Phong) – and five other geographical regions.

²⁹ By 2003, some 58% of kindergarten students were enrolled in non-state schools (MOET, 2005).

³⁰ In recent years the volume of scholarly and policy literature on Viet Nam’s education system has increased dramatically. Prior to the 1990s, data on education were typically unreliable and in any case uninformative about actual conditions in the education sector. Today, the situation is vastly improved, particularly with the publications of *Viet Nam Households Living Standards Survey* (VNLSS). Still, despite the improvement in the quality and availability of data, many facets of Vietnam’s education system remain beyond the grasp of conventional measures. One of the most glaring examples in this regard is the sprawling informal economy that has grown up within, outside, and on the borders of the (nominally) public education system.

Extra study sessions are ‘cram’ sessions in two senses. They are intended to help students pass exams by providing them with additional lesson time. They also typically (though not always) operate in cramped quarters. A clue for any visitor to a Vietnamese community is the tangle of 20 to 40 bicycles outside an otherwise ordinary house. Peer inside, and one will find the same students from the local school. ‘School’ is in session again.

How did this state of affairs come to pass? Under state socialism, the scale of private tutoring in Viet Nam was negligible. During the lean years of the 1980s, and especially at the end of the 1980s, in the context of fiscal crisis, teachers struggled to ensure a livelihood in teaching. Throughout the 1990s, growth in teachers’ wages lagged behind contemporaneous growth in household earnings, particularly in urban areas.³¹ To supplement their wages, and increasingly as a main source of income, teachers began offering extra study sessions after school, before school, on the weekends, and during the summer recess, almost always with tacit knowledge or explicit approval from state administrators, and sometimes within nominally public school systems. On the demand side, competitive examinations and the real and perceived improvements in the economic returns of education have prompted households to invest progressively more in extra study.

While there is a great demand for extra study and many teachers benefit from its existence, its practice is in many important respects contrary to the state’s socialist rhetoric. Basically, wealthier households are more able to afford extra study and thus, students from wealthier households enjoy an advantage over their poorer classmates in competitive examinations. Extra study privileges students in urban areas, in particular, where households have more disposable income. In relatively wealthy urban households (especially in Ho Chi Minh City and Ha Noi), it is not uncommon to pay hundreds in US dollars per year on extra study.³² Likewise, teachers in urban areas benefit from extra study more than their rural counterparts. In 2000, one high school teacher in Da Nang indicated he earned US\$1,000 a month from his extra teaching as compared to US\$40 a month from his salary at the time.³³ In poor rural areas, we might expect that low household incomes would have limited the growth of extra study. Still, by the late 1990s, most rural area school systems also featured a parallel informal economy. In some rural areas, expenditures on extra study can be a household’s largest expenditure item, after

³¹ A 1996 World Bank study found that primary and secondary school teachers in Viet Nam were paid significantly lower wages than in other Asian countries, if wages were measured in relation to GDP per capita (World Bank, 1996b). Although there have been recent increases in pay and administrative decentralization measures allow local authorities to raise teachers’ pay, it is unclear how these developments have affected the overall standing of teachers’ wages in Viet Nam.

³² According to the 1998 Viet Nam Living Standards Survey, extra study expenses, on average, comprised roughly 18% of household education expenditures for lower secondary students and 28% for upper secondary students. These figures are misleading. First, there is considerable evidence that extra study has increased since 1998. Second, average expenditures on tutoring do not take into consideration the wide disparities in expenditure on extra study between rich and poor. During my own research in 2000 in central Viet Nam’s Quang Nam province, it was observed that many rural households expended VND100,000 per month on extra study for secondary school students, as compared to VND17,000 for school fees.

³³ Notes from personal communication with an upper secondary teacher in Da Nang in May 2000.

food and fuel. Seventy percent of in-school youth in Viet Nam between the ages of 14 and 21 report going to a private tutor (Ministry of Health *et al.*, 2005).

In some respects, extra study in Viet Nam is comparable to experiences in other Asian countries included in this volume. But three features of extra study in Viet Nam distinguish it from other countries. First, it is occurring in the context of a much poorer society – the majority of households in Viet Nam must weigh the advantages of expenditure on extra study versus expenditure on basic subsistence needs. Second, there is an element of conflict of interest – if not institutionalized corruption – as Viet Nam’s students face pressure to take extra study courses from their own public school teachers.³⁴ Those who do not enroll in (and pay for) extra classes stand a much poorer chance of doing well in public schools and competitive entrance examinations. Finally, the importance of these “supplemental” lessons sometimes surpasses that of the formal curriculum.³⁵ The result is not only inequality between rich and poor households, but a pervasive sense of inequality, even as overall school participation rates are improving in objective terms. It is notable that in the recently released *Survey Assessment of Viet Nam’s Youth*, 44.1 percent of youth not attending school cited financial reasons, while 25 percent of those who dropped out of school reportedly did so for financial reasons (Ministry of Health *et al.*, 2005)

III

State, Social Class, and the Future of Educational Inequalities in Viet Nam

In this section, I reflect on the historical development of educational inequalities in Viet Nam through the lens of state and social class in order first to make sense of present efforts by the CPV to contain educational inequalities and second to assess the future prospects of schooling in light of existing inequalities.

I begin by theorizing the relation between social class, the state, and formal education in Viet Nam in light of the foregoing historical analysis. I argue that class alliance between cosmopolitan intellectuals and peasants that formed the foundation for the socialist state has given rise to a contradictory class configuration in contemporary Viet Nam. These contradictions are expressed in state policies, including the specific strategies of economic accumulation pursued by the state and education policies that have shifted the costs of nominally public services onto households. I also argue that intensifying inequalities in Viet Nam have threatened the credibility of the CPV’s legitimacy, but that the CPV has responded to these threats with a series of safety-net policies designed to ensure access to social services among the very poor and certain political constituencies. I assess the performance of these safety-nets programs with respect to schooling.

³⁴ There is much anecdotal evidence supporting this claim, though no systematic survey has been conducted. In recent years, some provinces have instituted rules where teachers may not have their own students in the extra study classes.

³⁵ This is more eloquently captured in Vietnamese as “*hoc them la chinh va hoc chinh la phu*,” as one Vietnamese put it (<http://diendan.edu.net.vn/PrintPost.aspx?PostID=17353>).

The State, Social Class, and Schooling under Market Leninism

To clarify the significance and relation between state, class, and formal schooling in Viet Nam requires a baseline understanding of the nature and significance of social class and its relation to the state and schooling. This is easier said than done, as there are wide disagreements as to the meaning and significance of social class, whether and how social classes shape states interests and capacities, and whether and how states are shaped by social classes. Even if these debates are indeed insoluble, I believe it is both possible and useful to conceptualize social class in general terms and to identify its significance with respect to the development of formal schooling. I believe this exercise can be especially helpful for the purposes of this essay.

For present purposes I proceed with a simplified conception of social class that draws on the work of classical and contemporary social theorists.³⁶ This formulation understands social classes as more or less distinctive and stable social groupings that are socially constituted through competitive struggles over access to and control of valued resources. Dominant classes, which derive their power from their control over valued resources, use this power to derive net benefits through repeated transactions with other social classes. In the absence of redistributive mechanisms, class relations conform to what Erik Wright (2000, p.1563) has referred to as the “inverse interdependent welfare principle,” which obtains when the welfare gains of a dominant class are inversely related to the deprivation of another. Finally, dominant social classes and their constituent members use their positions of power to reproduce and reinforce class divisions.

A Marxist perspective on social class and the state views the latter as an instrument of class power. One need not accept all the assumptions of Marx’s theory of history, but still accept the idea that social classes do shape state interests, and state interests shape social class. The broad contours of these dynamics in the Vietnamese context have been spelled out in earlier sections. But a more explicit formulation is needed to address a question posed at the outset: do institutionalized inequalities in Viet Nam reflect the CPV state’s class character?

Numerous social theorists have commented on a commonly observed and paradoxical outcome of state socialism. Namely, that in an effort to abolish feudal, capitalist, or colonial relations of class domination, the institutions of state socialism generated and reproduced new class hierarchies, under which state officials and urban populations were privileged over the rural masses and a politicized class of extractors pursued economic accumulation and self maximization. Inequalities emerged under state socialism as consequences of both the structural properties of state socialist models of economic accumulation and the rent-seeking practices that took place at the micro-foundations of the economy. As we have observed, the formation of a socialist state and the development of its attendant political and economic institutions promoted such cleavages

³⁶ The theorists I have in mind are Marx and Weber, as more recent theorists such as Charles Tilly (1997) and Erik Wright (1997). These theorists’ formulations of social class differ, but they each provide useful insights and share sufficient fundamental similarities as to permit a useful if simplified synthetic conception of social class.

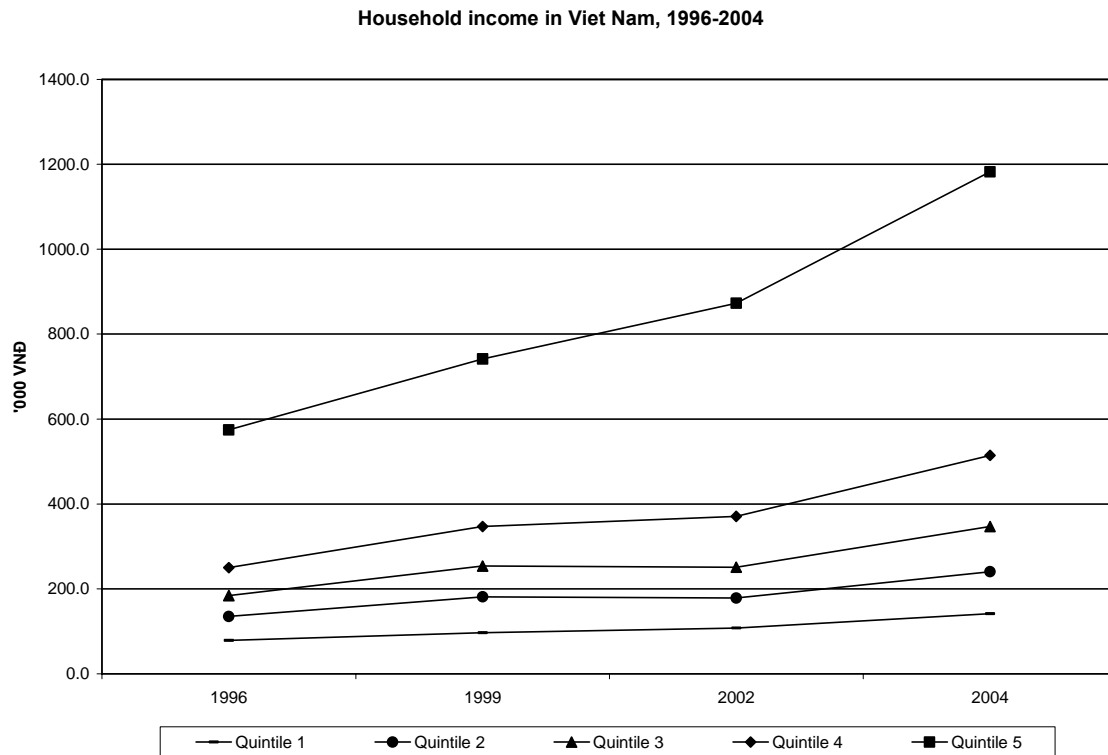
in Viet Nam. These inequalities were reflected in and reproduced through the state socialist education system. In the previous sections, we observed how a combination of spatially uneven economic growth and state policies affected institutionalized inequalities in the education sector in the post state-socialist period.

But how do changes in the state and in structures of inequality and social class associated with the transition to a market economy affect education policies and their outcomes? What kind of state is the CPV-led Socialist Republic of Viet Nam today? And how, in turn, might institutionalized patterns of formal schooling in a post state-socialist context affect social class and inequality more broadly?

International experience suggests the exit paths that countries take from state socialism toward new social institutional arrangements can profoundly affect the development of and relations between social classes, the state, and schooling, as well as the costs, qualities, and distributions of formal education. In the wake of state-socialism's dissolution, Viet Nam's political leaders harnessed to its authoritarian political system [work out](#) strategies of economic accumulation that would ensure state dominance in both the political and economic spheres. These strategies of accumulation have promoted certain patterns of inequality and, I argue, the development of a new and more differentiated class configuration.

International scholars and development agencies have given abundant attention to poverty reduction in Viet Nam. Much has been made, too, about relatively low inequalities *within* rural areas, suggesting that Viet Nam's development has been relatively 'equitable'. While rising inequality has been noted, the magnitude of emerging inequalities has not been commonly appreciated. Figure 1 below presents data on income across five expenditure quintiles from 1996 to 2004, the latter being the most recent year

for which data are available.



Data in current prices

Source: General Statistics office, various years.

As the data above suggest, income inequalities in Viet Nam are surging. But I also believe Viet Nam is experiencing the emergence of a new class configuration. The exact contours of this class configuration I can only tentatively state.

Specifically, I believe Viet Nam displays a class configuration consisting of eight distinctive classes. In descending order of power, income, assets, and economic opportunities, these include the state business class, the emerging petty bourgeois class, a composite middle class that is constituent of skilled wage labor, state workers, and rich peasants, the middle peasant class distinguished by their relatively stable income stream from agriculture and sideline activities, the urban poor, low-skilled economic migrants, poor and near poor peasants, and economically excluded ethnic minorities.

As formal schooling in Viet Nam has become increasing subject to market principles, households in the lower ranks of this hierarchy have confronted increasing financial obstacles to academic achievement. I have already presented data in previous sections illustrating the difficulties poor households confront in meeting increasing expenses for education and schooling. Gauging the implications of these inequalities for the development of human capital and social mobility will require further study.

In the mean time, what do rising inequalities, including institutionalized inequalities in formal schooling, say about the goals and interests of Viet Nam's state? On the one hand,

it is clear that the commodification of formal schooling contradicts prominent streams the CPV's ideology, even as other ideological streams couch commodification in terms of 'socialization'. Ethnographic research I have conducted in Vietnamese communities across regions reveals a widely shared sense of angst over the costs involved in education. Given the idiosyncratic if not dogmatic rhetoric generated by Viet Nam's state, it is no surprise that the continuous flow of socialist rhetoric amid rising inequalities leads one to dismiss outright the content of such rhetoric. However, the idea that the CPV has totally abandoned the principles of socialism is to go too far. Indeed, the CPV is well aware that its legitimacy rests on its ability to credibly portray itself as a defender of social justice. To this end, the CPV has, over the last decade, introduced a range of safety-nets programs designed to ensure access to formal schooling to the country's poor. Below I describe these programs and assess their effectiveness and limitations.

Efforts to Reduce Educational Inequalities and Their Outcomes

The CPV has always professed a commitment to providing equitable access to education and has maintained this pledge even in the context of markets. Since the mid 1990s, the CPV has voiced its intent to improve the welfare of the poorest members of society,³⁷ especially those in poor, remote, and "difficult" regions (including ethnic minority groups), and those with recognized contributions to the "revolution" and national "liberation". To this end, for the last decade the state has implemented a set of well-publicized national anti-poverty programs explicitly designed to ameliorate widening socioeconomic disparities, including those in education. The government's Hunger Eradication and Poverty Reduction (HEPR) policy and Poverty Reduction Program 135 have been particularly prominent in this regard, and it is worth examining the scope and outcomes of these programs. Do these programs represent an effective socialist response to inequality?

The HEPR program's components include expanding access to land and credit among the poor, as well as securing for the poor free access to basic education and health services. It is extraordinarily complex as it involves means-testing millions of households.³⁸ Program 135, by contrast, is a grant program designed for the country's poorest communes and has typically been used to achieve infrastructure improvements. The education provisions of the HEPR program aim to eradicate illiteracy by exempting or reducing school fees and contributions for designated poor households, and to provide books and grant scholarships to the rural poor in order to make it possible for them to attend upper secondary and higher education institutions in towns and cities. In 2001, funding for HEPR and Program 135 amounted to 0.5 percent of GDP. Funding has increased in

³⁷ The seventh Party Congress in 1991 explicitly recognized the problem of education and health access for the poor (UN Development Program-Deutsche Gesellschaft für Technische Zusammenarbeit, 1999).

³⁸ It took the government two years to specify the institutional arrangements for its implementation. To conduct this means testing, by the end of 1998, the state established HEPR boards in 6,958 communes (out of 7,518 at the time) and local authorities commenced poverty-mapping efforts using the government's criteria to identify poor households in each commune.

recent years, though Program 135 enjoys twice the funding of HEPR.³⁹ At current levels, an estimated 12-20 percent of poor households in Viet Nam receive some education benefits through HEPR, and roughly 12 percent of these recipients indicated that they would not have sent their children for schooling had they not received tuition exemptions.⁴⁰

However, these programs have numerous practical limitations. First, it is widely recognized that these seemingly complementary programs are not well-coordinated, that there is a lack of transparency and no consistent norms for how provinces distribute funds via the HEPR, and that there have been incidences of misappropriation of funds and political favoritism in allocation of funds (Ministry of Labour, War Invalids and Social Affairs, 1999). Second, HEPR's education provisions only reach a fraction of the poor – roughly one-fourth of the poorest quintile and a fifth of the second poorest quintile of the population received full exemptions (SRV & World Bank, 2005, p.14). Importantly, the HEPR program “allows” local officials to categorize only a certain number of households as poor, regardless of whether the number of households falling below the (quite low) state-set poverty line is getting bigger. To be officially poor, households require the official stamp of local authorities and, in general, the process is subject to the arbitrary discussion of local officials. Finally, while fee exemptions eliminate one component of the costs of education services, poor households almost invariably lack the means to pay for other costs (e.g., food, transport, informal payments, etc.), let alone that required to participate in the informal economies that so often dictate access to quality education. Despite consistent state claims that these programs effectively protect the poor, they have important limitations. Unless the scale of these programs is dramatically expanded, they cannot be understood as a truly socialist alternative.

Conclusion

Viet Nam is a country with a rich Confucian heritage. But Confucian respect for education ought not to be confused with egalitarian or universalist principles regarding access to schooling. For most of Viet Nam's history, formal schooling has been the privilege of a small minority. When the Communist Party of Viet Nam rose to power in the 1940s and 1950s and consolidated that power nationally in 1975, it set in place a truly revolutionary education system, one that was designed eventually to ensure universal access to K-12 schooling as a right of citizenship. This was also a system designed to furnish the newly independent state with generations of a ‘new socialist man,’ equipped with all the virtues, knowledge, and skills necessary to ‘build socialism.’ Quintessentially, it was a system subordinate to the social, political, economic, and cultural agendas of the CPV, a party whose legitimacy rested on its claim as the sole legitimate defender of Viet Nam's independence and its sole legitimate champion of social justice.

³⁹ For the first three years of the HEPR, for example, the Ministry of Education and Training committed, on average, an amount equal only to roughly 2% of the education budget.

⁴⁰ Although the HEPR scheme was designed to incorporate democratic participation at the grassroots level, the implementation of the programs is frequently top-down (Viet Nam Consultative Group, 2004, pp.27 & 30).

During the 1950s and 1960s, and in the South after 1975, Viet Nam's system of formal schooling at the primary and secondary levels developed extensively, alongside the formation of a socialist state and the imposition by that state of a uniform formal template of political and economic institutions across Viet Nam's territory. Access was to be based on the principles of state-socialist universalism, whose institutions actually promoted and reproduced social hierarchies and inequalities between state and society, town and country, and cadre and peasant. Official statistics that suggested Viet Nam's education was out-performing that of countries ten times as wealthy, however impressive in some regards, masked threadbare conditions in the provision of schooling and sharp inequalities mentioned above. Still, that the development of schooling in Viet Nam took place under conditions of war and economic scarcity is a testament to the mobilizational capacities of Viet Nam's CPV, its state, the society at large.

Over the course of the 1980s, Viet Nam's poorly performing and embargoed economy sustained relentless fiscal shocks, before spiraling downward in a fiscal crisis of the state. By the middle of the decade, the state was struggling to sustain its basic functions. By late 1989, when Viet Nam's government approved school fees for the first time, enrolments had already begun to drop precipitously at all educational levels, as quality and morale declined and teachers sought second and third jobs to sustain themselves.

Fiscal crises frequently entail a fundamental rethinking if not an actually reworking of established principles and institutions. In Viet Nam, the fiscal crisis of the late 1980s hastened the abandonment of core principles and institutions of state socialism, including those that governed schooling.

Since 1989, Viet Nam has had one of the fastest growing economies in the world. Overall, access to education has improved at all levels. Paradoxically, while there is greater access to formal education in Viet Nam today than at any time in the country's history, education has become increasingly commodified, generating institutionalized inequalities both within and outside the sphere of education. These institutionalized inequalities stand in clear contradiction to the professed aims of the CPV and their continued existence and development raises questions about the long term goals of the CPV, if not the class character of the Party State.

In this essay, I have sought to explain the principles and institutions governing schooling in Viet Nam in relation to continuity and change in the country's political and economic institutions. I illustrated how the CPV's quasi-universalistic education policies under state socialism gradually degenerated and were ultimately replaced by policies that shifted an increasing share of the costs of education from the state onto households.

I believe that the institutionalized inequalities within Viet Nam's education system, and in particular its system of formal schooling reflect and are being exacerbated by a newly emerging class configuration. This class configuration is a product of accumulation strategies under taken by a Market-Leninist regime under which a state business elite and a growing urban-based petty bourgeoisie have thrived on market opportunities. In Viet

Nam's system of formal schooling, education at the basic level is accessible to all. But educational opportunities beyond that level are much more difficult to grasp for those toward the bottom of the country's developing class hierarchy. As inequalities in Viet Nam's education system become further institutionalized, we might expect they will perpetuate and exacerbate rather than ameliorate present class cleavages. Whether and how the CPV responds to these trends will tell us a lot about the nature of the CPV and its unique brand of market Leninism.

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