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HISTORICAL WELFARE REGIMES AND EDUCATION IN VIETNAM

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Welfare refers to human well-being and to the satisfaction of basic human needs. Welfare regimes are specific institutional arrangements governing the creation and allocation of welfare. Welfare regimes analysis is a body of political economy scholarship that seeks to explain the determinants and stratification effects of welfare regimes across different historical settings. A core assumption of welfare regimes analysis is that social class — and in particular political settlements among social classes — figure centrally in the determination and stratification effects of welfare regimes.

This chapter extends the concepts and theoretical methods of welfare regimes analysis to an investigation of education and educational inequalities in Vietnam under Communist Party of Vietnam (CPV), which has ruled in the north of the country since the 1940s and on a countrywide basis since 1975.

Welfare regimes depend on more or less stable institutional arrangements and can rise and fall. But all welfare regimes are “causally specific” to the political and economic regimes that contain them.
Over the roughly sixty years of its rule, the CPV has presided over the development of two distinctive forms of political economy and, within them, two distinctive welfare regimes. Between the 1940s and the 1980s, Vietnam experienced the development and erosion of a *state-socialist* political economy — first in the north and then in the south — distinguished by its democratic-centralist modes of political integration and its redistributive modes of economic integration. Since the late 1980s, Vietnam has experienced the development of a *market-Leninist* political economy in which democratic-centralist modes of political integration exist in combination with market economic institutions (London 2009). As I demonstrate in this chapter, under these distinctive forms of political economy, Vietnam has experienced important changes in the principles and institutions governing welfare, education, and social and educational inequalities.

The chapter is organized in three sections and advances three related arguments. The first section summarizes core concerns, concepts, and theoretical suppositions of welfare regimes analysis. Engaging theoretical literature on welfare regimes (Esping-Andersen 1990; Gough 2004), state-socialism (Kornai 1992; Szelenyi and Manchin 1987), market transitions (Szelenyi and King 2005), and institutional economics (Polanyi 1957), I contend that welfare regimes analysis has value for an analysis of education and educational stratification in contemporary Vietnam so long as it includes a theorization of the rise and demise of socialist political, economic, and welfare institutions and how exit paths from state-socialism and legacies of state-socialism affect the development of subsequent welfare regimes. Correspondingly, the second section relates core features of state-socialist political economies and their welfare regimes, identifies ideographic features of Vietnamese state-socialism and its welfare regime, and examines principles and institutions governing the provision and payment for education and educational inequalities in Vietnam under state-socialism. The third section clarifies the core institutional attributes of market-Leninism, identifies idiographic features of Vietnam’s market-Leninist political economy and its associated welfare regime, and clarifies the principles and institutions governing the provision and payment for education and educational inequalities in contemporary Vietnam.
EDUCATION IN VIETNAM: TOWARDS AN ANALYSIS OF HISTORICAL WELFARE REGIMES

Education is a component of well-being and welfare regimes analysis is a useful way of conceptualizing and explaining institutional arrangements governing education in different historical settings. While welfare regimes analysis developed first through comparative analysis of welfare states and social security systems in advanced capitalist countries (Esping-Andersen 1990), recent scholarship has extended welfare regimes analysis to the study of other kinds of welfare and to the analysis of welfare regimes in diverse historical settings, including “developing” (that is, poor or late-industrializing countries) and “transitional societies” (that is, formerly state-socialist settings) (Gough and Wood 2004). Arguably, welfare regimes (that is, stable institutional arrangements governing the creation and allocation of welfare and its stratification effects) exist in any historical formation, whether it be “feudal” or pre-capitalist or state-socialist. Drawing on contemporary welfare regimes scholarship and the economic writings of Karl Polanyi (1949; 1957), I propose the concept of “historical welfare regimes”, which refers to the claim or reality that welfare regimes of some sort exist in any stable social formation (London 2008).

Welfare regimes analysis is theoretical in the sense that it is concerned with developing empirically grounded explanations. More specifically, welfare regimes analysis is concerned with:

1. Explaining the historical determinants of the ways in which “institutional responsibility” for different types of welfare and welfare-producing goods (for example, food, shelter, income, social insurance, education, and health) is distributed across different institutional spheres (that is, state, economy, family, and secondary associations);
2. Explaining the effects of this “welfare mix” with respect to social stratification (that is, institutionalized inequalities) and hence life-chances; and
3. Accounting for similarities and differences in the attributes of welfare regimes across different social and historical settings.
As indicated, the concepts and theories of welfare regimes analysis developed initially through studies of variation in welfare states. It is important to consider this work, even if briefly, as doing so helps clarify the core theoretical claims of welfare regimes. In his seminal contribution, *The Three Worlds of Welfare Capitalism* (1990), Gösta Esping-Andersen identified three welfare regime types across Western Europe and North America (liberal, conservative, and social democratic), whose social policies granted citizens different forms and degrees of protection from markets.2 The developments of these distinctive regime types were not accidental, Esping-Andersen argues. Rather, they were rooted in processes of class formation and were the products of political coalitions among classes and the formation of “political settlements” that defined the relation between state and economy and the rights of the state to tax and redistribute (Esping-Andersen 1999).3

The relation between state and economy (viz. political and economic institution) is critical, as a country’s welfare institutions — including its social policies — exist and develop in an interdependent relation with preponderant political and economic institutions. Undoubtedly, cultural institutions (understood as shared values and beliefs that affect behaviour) are also critical determinants of welfare. But cultural arguments are famously difficult to substantiate and, without some disciplining, can be decidedly vacuous. For example, cultural explanations fail to account for the divergence in the welfare regimes of culturally-similar settings or in the same setting across time. While the United States and United Kingdom may share certain cultural attributes and also similar welfare regimes, other culturally similar settings differ (for example, North and South Korea, Taiwan and China, or Quang Nam province in 1908 and today). Just as social analysis that is devoid of cultural considerations should raise our suspicions, so should social analysis that relies exclusively or even primarily on cultural arguments.

It is reasonable to question the relevance of welfare regimes analysis for countries such as Vietnam and to specify the conditions under which extending welfare regimes analysis beyond advanced welfare states can be a fruitful enterprise. As indicated, in recent years scholars have extended welfare regimes concepts to the analysis of welfare in so-called “developing” and “transitional” country settings (Gough 2000; Gough and Wood 2004).4 Anticipating charges such as “wrong headed” or “naive”, these scholars plainly stated that their intent was “never to apply the welfare regime idea
“tout court” but rather to extend the conceptual apparatus of welfare regimes to see what institutional categories it generated in non-rich countries (Gough and Wood 2004, p. 5). Conceptually, “second generation welfare regimes analysis” has indeed helped to clarify the often considerable institutional differences between and among the political economies and welfare regimes of advanced capitalist countries, late-industrializing countries, and very poor countries. Such differences include, but are not limited to, the roles, capacities, and significance of the state in the determination of welfare regimes, late industrializing and poor countries’ greater vulnerability to global economic shocks, the more limited scope of state-social policies in countries with limited extractive and allocative capacities, the greater role of international institutions in the political economies and welfare institutions of poor countries, and the greater importance of informal welfare institutions outside the world’s richest countries.

The arguments I develop concerning education in Vietnam are based on two criticisms of welfare regime which are meant to be constructive. The first is that second-generation welfare regimes analysis takes an unnecessary step back from welfare regimes analysis as a research programme. To date, second-generation welfare regimes analysis has tended towards description rather than explanation. They lack historical and class analysis. To be fair, Gough and Wood have noted that their analyses were intended to be largely conceptual and heuristic. And they and others might well object to extending the theoretical claims of welfare regimes analysis — which involve class-based arguments about political settlements — to the analysis of welfare regimes outside the “worlds of welfare capitalism”. But as Esping-Andersen has shown, welfare regimes tend to rise and fall with fundamental realignments of a country’s political and economic institutions (Esping-Andersen 1987). I am not alone in assuming that class and social competition among classes and other social grouping always figure fundamentally in the determination and realignment of a country’s political and economic institutions. Hence, I believe class analysis (or more modestly, the analysis of social competition) is a necessary ingredient of any welfare regimes analysis.

A second criticism of second-generation welfare regimes analysis concerns so-called “transitional settings” or what I call “formerly state-socialist settings”. (After all, what social setting is not in transition?). Gough and Wood (2004) did a service in recognizing the distinctive features of such settings. But greater elaboration is needed. Literature on “market
transitions” has shown that state-socialist institutions erode unevenly and incompletely and that the way this occurs can shape and constrain (if not determine) subsequent patterns of institutional change (see, for just one example, Stark 1998). This suggests that an analysis of welfare regimes in formerly state-socialist settings necessarily entails an analysis of the principles and institutions governing welfare under state-socialism and how the erosion of state-socialism shapes the formation of new political economies and their corresponding welfare regimes.

In a volume focused on Vietnam, I do not want to wade too far into theoretical literature (though perhaps I already have!). Nonetheless, I want to close my discussion of welfare regimes by explaining their relation to social inequality. An insight emerges in the comparative analysis of social policies under state-socialist (redistributive) and market economies: namely, that in any setting, preponderant modes of political and economic integration are also the primary mechanisms generating social inequalities (Szelenyi and Manchin 1987).

As Szelenyi and Machin (1987, p.111) have shown, when it comes to social inequalities, state-socialist (redistributive) economies and market economies are each other’s mirror image. Under state-socialist regimes, institutional responsibility for welfare lies overwhelmingly within the sphere of planned economy, with self-exploiting households and (black) markets assuming secondary roles. In state-socialist regimes, bureaucratic institutions of central planning are the primary means of allocation and the principal mechanisms generating social inequalities; household strategies of accumulation and accumulation through involvement in (black) markets may provide an alternative means of economic security and may counteract the stratifying effects of bureaucratic allocation.

In market economies, by contrast, institutional responsibility for welfare lies overwhelming within the sphere of the market, which is to say that people must secure their well-being through markets. As markets are the principal means of allocation, market institutions are the principal mechanisms driving social inequalities. In market economies, household self-exploitation and redistributive state policies (including social policies) may provide alternative forms of economic security and may mitigate market-based inequalities. Racism, sexism, and other forms of discrimination transcend state-socialist and market-based political economies. It is now left to us to appreciate the specific features of state-socialist and
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market-based political economies in Vietnam and how the evolution and involution of state-socialism and subsequent developments affected the creation and allocation of education and attendant patterns of social and educational inequalities.

II

EDUCATION IN VIETNAM’S STATE-SOCIALIST WELFARE REGIME, 1945–89

Between 1917 and 1989, more than thirty countries experienced the development of distinctively state-socialist political economies. The settings in which this occurred varied considerably along a range of dimensions, including degree of industrialization, geographical attributes, population size, and cultural characteristics, among others. In some instances, the development of state-socialism owed chiefly to processes emanating from within a given country; in other places it owed more to external forces (Kornai 1992, p. 27). What these regimes shared, however, was a specific combination of institutional attributes, which have been identified and analysed in ideal-typical terms by Janos Kornai (1992). There are surprisingly few attempts to theorize welfare or social policies in state-socialist societies systematically, even though there are many case studies.

Kornai’s analysis is useful to the extent that it recognizes the promises of economic security characteristic of all state-socialist regimes and the reasons such promises are rarely met. But outside country-specific studies (for example, Philion 1998), there have been no efforts to theorize state-socialist welfare regimes explicitly, at least in the sense used in this essay. Social inequalities are, as discussed, tightly related to welfare regimes. For this reason, Ivan Szelenyi’s works on state-socialist social policies and their attendant social inequalities (Szelenyi 1978; 1987) provide an especially useful starting point for theorizing welfare regimes under state-socialism. Drawing on Polanyi’s (1957) analysis of historical variation in economic institutions, Szelenyi (1987) affirmed that in any social context, market, redistributive, and reciprocal institutions exist side by side, but one of these will play a preponderant integrative role. In any social context, preponderant modes of political and economic integration will also be the chief mechanism driving social inequalities. Taken together, the contributions of these scholars (all Hungarians!) and others help to
delineate the basic institutional contours of state-socialist welfare regimes as a distinctive kind of historical welfare regime.

Conceivably, state-socialist welfare regimes constitute a family of welfare regimes, within which there are various types (for example, industrial state-socialist, agrarian state-socialist, Maoist versus Stalinist, etc.). While a full taxonomy is beyond the scope of this chapter, an appreciation of the ideal typical features of state-socialist welfare regimes provides a useful foundation for understanding the principles and institutions governing education and education inequalities in Vietnam under the CPV up until the late 1980s. Naturally, the specific features and outcomes of Vietnam’s state-socialist welfare regime reflect the country’s unique social history.

State-Socialist Welfare Regimes

State-socialist regimes and their attendant welfare regimes are distinguished by a specific set of institutional attributes and stratification outcomes. With respect to political institutions, all state-socialist regimes have been established (from within or without) under the authority of communist parties inspired by Lenin. All have displayed formal political institutions fashioned in accordance with the formal principles of democratic-centralism, whose actual institutionalized features are more repressive than democratic. In principle, “democratic centralism” entails the local selection of political leaders and the use of hierarchical party governance structures as a “bottom-up” conveyer belt by which democratic aspirations of the people are transmitted to the political centre for further democratic deliberation by putatively representative organs. In practice, democratic centralism tends to function in a top-down manner. Elected local leaders are selected and approved by local and higher levels. Top-down decision making is the rule rather than the exception. Nationally and at local levels of governance, political power is concentrated. Real public deliberation is non-existent.

In economic terms, state-socialist regimes are integrated through the bureaucratic allocative institutions of central planning. Under state-socialism, the circulation of value is to be administered by central authorities. The premise is that central planning is more efficient than markets. The announced aim of state-socialist central planning is to allocate resources in a way that promotes economic efficiency (through economies of scale) while reducing social inequalities (through the elimination of capitalist
relations of production). The establishment of central planning entails the elimination of private property, the collectivization of all production factors under state ownership, and the collectivization of all productive activities under state managed production units, including various types of state-owned enterprises and state-managed agricultural collectives. The actual institutionalized outcomes of these institutional arrangements depart from those intended. Most notably, central planning turns out to generate powerful incentives for rent-seeking and hoarding, which leads to systemic scarcity, while poor incentives within production units depress output and productivity growth.

State-socialist regimes displayed distinctive welfare regimes in which state agencies (including functional agencies and production units) assumed a dominant (and, in principle, exclusive) role in the creation and allocation of welfare. State-socialist citizenship rights typically exhibit extraordinarily progressive welfare principles, such as the right to work and the right to social and economic security, including food, shelter, health care, and education. These rights are enshrined in the revolutionary constitution of the socialist state. But a large gap exists between formal political rights concerning welfare, and actual conditions. As Kornai notes, although some of these promises are met, the complete fulfilment of the promises “never occurs and can never occur” — resulting in tensions between promises and performance and creating “an oppressive burden” for the party (Kornai 1992, p. 54).

The look and feel of the state-socialist welfare regime in real life differed from its formally specified designs. In many instances, state-socialism delivered on its formally specified goals, if within limits. In principle, institutional responsibility for welfare under state-socialism was firmly within the sphere of the state; in reality, the systemic failures of state-socialism meant that personal networks, black markets, and households also played prominent roles in the creation and allocation of welfare. This is because in most countries the economic institutions of state-socialism failed to generate sufficient resources, compromising both material wealth and the quality of social services. In rural areas, economic security and survival frequently relied on subsistence production, involvement in the black market, and other survival strategies outside the planned economy, while the provision and payment for essential services depended on the collective efforts of local populations. In urban and especially rural areas, promises of social services coexisted with an
egalitarianism of poverty and inefficiencies in the delivery of services (Deacon 2000).

State-socialist welfare regimes generated distinctive patterns of social inequality that reflected political inequalities, reliance on bureaucratic allocative mechanisms, and the dualism promoted by state-socialist development strategies. Administrative allocative institutions — state bureaucracies of one sort or another under party membership — were the principal mechanisms governing social inequality (Szelenyi 1978; 1987). At the broadest level, this was reflected in the dualist principles underlying state-socialist economic policies, which subordinated exploited agrarian populations for the advancement of industrialization and to the benefit of urban and administrative classes. Membership in the communist party or a position in the bureaucracy frequently resulted in improved access to political, economic, and informational resources, as well as status and other intangible resources (Walder 1992). Created to destroy class exploitation and social inequalities, state-socialist regimes levelled many inequalities, but also gave birth to a new class system in which redistributors emerged as a dominant class across an uneven urban-rural divide. While state-socialist regimes oversaw land reforms, the extension of state-financed services, and other progressive policies, the formal and real functioning of these regimes demonstrated that there was nothing inherently egalitarian about state redistribution.

**The Political Economy of Vietnam’s State-Socialist Welfare Regime**

The principles and institutions that governed the provision and payment for education in Vietnam from the 1940s and 1950s in the north and on a countrywide basis after 1975 resembled those of an ideal typical state-socialist welfare regime. But the precise features of this regime reflected Vietnam’s unique circumstances, including its overwhelmingly agrarian economy, and the conditions of national partition and protracted guerrilla war under which the welfare regime developed. The country’s partition and wars, its low levels of industrialization, and its sheer social and physical diversity meant that the precise attributes and practical force of state-socialist principles and institutions varied within the country across time and place. State-socialist institutions in Vietnam were fragile in some areas, stronger in others, and eroded over the course of the 1980s. Nonetheless, across the north of Vietnam from the 1950s and across the country after
1975, it was most fundamentally the core principles and institutions of state-socialism (as defined above) that governed the creation and allocation of education and the character of social and educational inequalities. The specific attributes of Vietnam’s political, economic, and welfare institutions under state-socialism are next examined in turn.

The political foundations of Vietnam’s state-socialist welfare regime emerged with the ascendance of the CPV. Founded in 1930, the CPV was from its beginning a political coalition of petit-bourgeois revolutionaries, peasants, workers, and other class elements mobilized under the banners of national self-determination and socialist revolution. As the party expanded its membership, it became more, though not entirely, representative of the country’s population. Fundamentally, the CPV’s rise to power was due largely to native forces, even as or because colonialism had transformed Vietnam’s political economy. In its own view, the CPV was the sole legitimate champion of national self-determination and a more just social order. During the 1950s and 1960s, the party gained immense popular backing, particularly (though by no means exclusively) in the north. In southern Vietnam, political support for the party was more fragile, owing to the mixed political allegiances of southerners and some ill-will generated both during and after the war. Over the course of its history, the CPV has ensured its supremacy by repressive means, even if the intensity of repression has waxed and waned over time.

The substance of the CPV’s economic policies were recognizably state-socialist even as outcomes diverged from plans. The formation of the Democratic Republic of Vietnam (DRV) in the north of Vietnam after 1945 and especially after 1954, and the extension of this state to the rest of the country after 1975 (as the renamed Socialist Republic of Vietnam) involved the implementation of policies that achieved massive institutional realignments. The state-socialist development model the CPV pursued until the late 1980s was designed to achieve rapid industrialization and avoid the perceived traps of dependent capitalist development. This was to be achieved by promoting a dual economy in which agriculture would feed industry, as detailed above. War, the poor performance of state-socialist economic institutions, external economic embargoes, and a prevailing paucity of resources combined to undermine state-socialist plans.

Severe shortages and supply bottlenecks, along with poor infrastructure and other factors, led to the development of a highly fragmented and decentralized economy that was meant to be centralized. The collectivization
of agriculture improved economic security for scores of peasants and boosted agricultural production in northern Vietnam during the late 1960s. But over the long haul, both agricultural and industrial policies failed to produce the promised outcomes. Given its wars and paucity of resources, the scale and scope of state industrial enterprises were more limited than in other state-socialist regimes, while the force of state-socialist policies in Vietnam varied across time and place. After 1975, accumulated war damage, the costs of a new war in Cambodia, and the political and economic blockade imposed by China and the United States helped drive the country further into poverty. By the 1980s, local units of government and production units increasingly resorted to spontaneous or improvisational survival strategies (Fforde and deVylder 1996) and in so doing gained increasing autonomy from the central authority.

The development of state-socialism in Vietnam transformed the country’s welfare regime, albeit in a context of war and post-war devastation. State-socialist economic institutions subjected human well-being to new formal and informal rules. In the north of Vietnam during the 1950s and 1960s, land reform and the advent of some state- and collectively-financed social services (for example, preventive health services and education) produced tangible if spatially and temporally uneven welfare gains, even in the context of war and its aftermath. The extension of state-socialist economic and social policies to the post-war south produced some confusion and ill-will (owing to the confiscation of property, among other reasons). Nationally, destruction wrought by war and anaemic economic performance limited the scope and quality of such services. A fuller illustration of Vietnam’s state-socialist welfare regime is developed below in the analysis of principles and institutions governing education. Overall, Vietnam’s state-socialist welfare regime was something of an “insecurity regime” (Wood 2004), in that the basic needs of most of the population were under constant direct and indirect threats. Rural populations had inferior services. Both before and after 1975, large segments of the population were periodically subject to threats of disease and famine.

In the north and then in the south, Vietnam’s state-socialist welfare regime reduced some forms of inequality and promoted others. The dualist structure of the economy ensured low returns to agriculture. Across the political economy, state managers with control over the means of bureaucratic allocation exercised class power. Ethnic minority groups, though incorporated in some state schemes (for example, literacy training),
experienced social exclusion in other respects. Before 1975 in the north and after 1975 in the south, Vietnamese with “suspect” class backgrounds or affiliations were subject to economic and social exclusion. All of these characteristics of Vietnam’s state-socialist welfare regime were evidenced in the principles and institutions governing the provision and payment for education up until the collapse of the welfare regime in the late 1980s.

Education and Educational Inequalities under State-socialism
The rise of a state-socialist welfare regime beginning in northern Vietnam in the 1940s and 1950s and in southern Vietnam after 1975 involved fundamental changes in the principles and institutions governing the provision and payment for education, including changes in mechanisms governing educational inequalities. In the north and later the south, this was a transition from arrangements under which formal schooling was a privilege of a relative few to a mass education system, in which a state-financed education was to be compulsory for all children and enshrined in law. In this respect, the institutionalization of state-socialism in northern and southern Vietnam truly revolutionized arrangements governing the provision and payment for education. But while the development of state-socialist education regime occasioned steady increases in educational enrolments, the outcomes of state education policies were at variance with those envisioned. Social turbulence owing to war, acute economic scarcity, and the intended and unintended consequences of certain education policies contributed to these outcomes. Additionally state-socialist institutional arrangements governing education generated distinctive inequalities. The withering of state-socialist economic institutions over the course of the 1980s eviscerated the fiscal foundations of essential public services, plunging Vietnam’s education system into crisis.

The Institutionalization and Outcomes of the State-socialist Education
In the 1940s and 1950s and in the south after 1975, the CPV initially pursued mass education through literacy campaigns, which were undertaken using “guerrilla” and other revolutionary tactics, such as compulsory literacy classes on a village basis. Building an education system, by contrast, would involve the development of a large-scale educational bureaucracy,
the recruitment and training of hundreds and thousands of teachers, and the troublesome problem of education finance (Woodside 1987).

Preliminary efforts in this direction took place as early as 1945 and 1946, as the Party in this period began developing its education bureaucracy, planning a Vietnamese curriculum, and establishing ideological contents of such a curriculum with great attention paid to patriotic and socialist themes. These elements of a nascent national education policy would be implemented in so-called “free zones” — that is, those under CPV control. The first education “reform”, between 1950 and 1952, established the basic curriculum and organization of the education system. During this period, the CPV began building on the pre-existing patchwork of informal village schools and the smaller number of colonial schools that gradually fell under their control. A second education reform was ratified after the DRV’s independence was secured and explicitly set out the twin aims of the education system: “building socialism in the north” and supporting the defeat of the United States and their puppets to unite the country.

A third set of reforms, introduced in 1958, reflected the political character of the emerging state-socialist regime. Focused on building “socialist schools”, this set of reforms emerged largely as a reaction to the political fallout from the land reform debacles of 1956 and the suppression of the Nhân Văn Giải Phẩm dissident movement, one of whose demands was that education be left to educators, not party apparatchiks. Specific contents of the 1958 reforms included compulsory political education for educators and students, the harmonization of school curricula with the contents of five-year plans, the affirmation of the exclusive leadership role of the CPV, and various measures to reinforce ideological compliance (then the Worker’s Party) (Lê V.G. 2003, p. 169). Steps were taken to integrate schooling with productive activities, including harvesting, irrigation, and so on. Graduates of tertiary schools would be assigned jobs according to state plans.

But from the perspective of welfare regimes, the significance of the 1958 reforms lay in the establishment of formal principles and institutions governing education finance. The state would assume all costs for the provision of education (with voluntary contributions from the people). No fees would be charged at any level. No private schools would exist. Schools in rural areas were to be funded on the basis of resources from local economic units (principally agricultural collectives) and supplemented by transfers from the central budget (mostly for infrastructure and, to a
lesser extent, 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.

The growth of enrolments in Vietnam under the state-socialist regime followed a trajectory of rapid expansion during the 1950s and 1960s, slow growth and post-war expansion in the 1970s, and stagnation and crisis in the mid-to-late 1980s. By 1957, the number of primary school students in northern Vietnam was three times the number of primary students in the entire country in 1939. In 1939, only 2 per cent of primary school students advanced to higher educational levels. By 1957, this figure had risen to 13 per cent (Pham 1999, p. 51). Vietnamese histories sympathetic to the party speak of legions of youth (rất nhiều thanh niên) coming across the parallel to study as an act of resistance, though no figures are offered as to what rất nhiều might mean (Lê G.V. 2003, p. 119).

Massive dislocations that accompanied the onset of U.S. bombing in northern Vietnam 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. Urban schools destroyed by U.S. bombs were rebuilt in the countryside, where they were less vulnerable to attack. Rural schools functioned with little resources. Between 1965 and 1975, gross enrolments and staffing in northern Vietnam saw increases at all levels (MOET 1995, pp. 7–8). That Vietnam’s education system 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 national and, especially, local leaders, and to popular enthusiasm for education.

After 1975, under the banner of the new and unified Socialist Republic of Vietnam, the CPV implemented education policies that aimed to ensure access to education for all Vietnamese and to expand the country’s higher education in the service of socialist industrialization. In the south, the 1975–76 school year started on schedule, albeit in a surreal political context. According to official statistics, Vietnam continued to achieve important gains in terms of accessibility to formal schooling. By the mid-1980s, education indicators were comparable to countries with income levels ten times that of Vietnam’s. Conditions were threadbare and, in the south, the political climate in localities could be tense. Indeed, official statistics are
inadequate for grasping the realities of schooling in the post-war 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.

With respect to institutional responsibilities for the provision and payment for education, the situation in northern Vietnam between the 1945 and the mid 1970s could be summarized as follows: Formal policies dictated a gradual movement towards state provision of a compulsory standard education for all children through state-run schools and funded through the central budget, and in rural areas, through combinations of budget allocations and resources from local agricultural collectives. Of the different levels of education, kindergarten education was the most dependent on resources from the collectives, while primary and lower- and upper-secondary education depended on budget transfers from district and provincial education departments, whose budgets were determined by the Ministry of Education.

In practice, institutional arrangements were more complex and varied across time and place, in response to local conditions and wartime contingencies. Despite early efforts to extend literacy training to ethnic minorities, access to education in remote rural areas remained patchy and many areas remained without functioning schools into the 1970s. In less remote and more populous rural areas, the functioning of schools (including teachers’ wages and rations) depended on resources from local collectives. Conditions were often threadbare, meaning earthen floors, thatched roofs, three-hour school days, and among the shortest academic years in the world. Across locations, primary and lower secondary schools received additional financial support from communes, varying from 5 to 15 per cent, or even more. In urban areas, precincts funded kindergartens, while primary and secondary schools depended on arrangements described above. In wartime, schools in urban areas were disrupted. Though better funded, schools in urban areas also functioned with limited resources and under threadbare conditions.

From a contemporary vantage point, it is easy to forget the texture of social life in urban and rural Vietnam of this period and what it meant for education. 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 three 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, for those with party ties. Finally, after 1975, significant segments of southern Vietnam 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 Vietnam regime were denied access to schooling.

The education system that developed under the state-socialist regime reflected and promoted social inequalities, both with respect to the accessibility and quality of formal education. The education system reproduced inequalities between town and country. Urban residents had comparatively good access to schooling, financed through the state budget; rural populations had inferior schools, often dependent on the meagre resources generated by agricultural collectives. Ethnic minority groups, comprising some fifteen per cent 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 with their needs. In the post-bellum south, children from families with ties to the old regime were frequently denied educational opportunities beyond a basic level.

Education and State-socialist Involution

Market transitions involve fundamental realignments of a country’s political and economic institutions and result in the emergence of a new welfare regime. While a given welfare regime may accommodate minor changes, fundamental changes in the principles and institutions governing the provision and payment for welfare signal the emergence of a new regime (Gough 2004). How did the erosion of state-socialism in Vietnam affect education?

Vietnam’s transition to a market economy was a ten-year process of institutional decay that undermined the basic coherence of the economy and ultimately threatened the survival of the state. After 1975, war damage, international isolation, and economic scarcity undermined the viability of state-socialist developmentalism. By the 1980s, economic producers
(including state owned enterprises and agricultural collectives) adopted increasingly brazen deviations from central planning norms. 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. Politically, the gradual disintegration of the planned economy and its fiscal institutions weakened the powers of the central state \textit{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.

Economic reforms towards the late 1980s, such as output contracts in agriculture and new trade laws for state owned enterprises, boosted economic outputs and improved incentive by allowing economic producers to engage in market exchange. But once this limited liberalization gained momentum, it also had the effect of draining economic resources from the central budget, further undercutting central planning in the financial bases of state functions, including education. Vietnam’s 1980 constitution stipulated the state’s commitment to developing compulsory education at no direct charge. But such plans, along with indicators of progress regarding the extension of formal schooling during the mid-1980s, masked the fragility of the state-socialist economic institutions on which formal schooling depended. Between 1980 and 1990, Vietnam registered only a minor increase in its gross enrolment, even though the country gained millions more school-age children. By the end of the decade, dropout rates soared, particularly at the secondary level of education.

The shift to household production in agriculture and the expansion of markets across sectors stimulated economic growth, but did not address fundamental problems regarding the financing of essential social services. With hyperinflation and evaporating state budgets during the 1980s, real public investments in education stagnated and then fell sharply in real terms. Education sector workers faced declining wages from an already low base and in many localities, local authorities resorted to financing arrangements under the heading “the state and people work together” ({\textcolor{black}{nhaus nước và dân cùng làm}}). It did not take long for households to grow both suspicious and weary of such arrangements, though this was only a hint of things to come. Teachers went increasingly long stretches without compensation (in cash and kind) and expanded their economic activities outside of the school. As the flow of resources into the education system dwindled, so did the quality of
education and morale among teachers. Many left teaching altogether in search of a living wage.

As the 1980s wore on, the institutional arrangements responsible for financing education gradually disintegrated as the planned economy unravelled. The plight of schools in rural areas was especially acute. As the dissolution of agricultural collectives gathered pace, so did declines in school resources. Formal policies indicated the state’s increasing reliance on economic resources outside of the planned economy. Decision No. 15-CP, dated 14 January 1981, titled “amendment to the social welfare mechanism for teachers in primary and secondary education sector”, stipulated the establishment of “school protection funds” (quỹ bao trợ nhà trường) called on “the state and society” to contribute to education, from household savings to production units’ welfare funds. By 1984 Circular No. 19-TT/LB dated 23 July 1984 was issued, requiring “contributions” (in both money and kind) from children’s parents and from centrally and locally managed production units within a given area. According to the recollection of one teacher, “monthly wages” included 13.5 kg of rice per teacher to be purchased at the price of 3.8 hào/kg (hào = 1 đồng), 0.5 kg of meat (called meat, but in fact, mostly fat, usually fried and used for oil), and 0.5 kg of sugar. These constraints on teachers were harsh, but perhaps no harsher than those faced by most Vietnamese. Special funds collected in communities were helpful to help pay these salaries, as schools often did not receive budgetary funds in time.

How are we to make sense of education and educational inequalities under Vietnamese state-socialism? 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, Vietnam’s thirty-five-year experiment with state-socialism came to a rapid and 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 National Assembly met in a special session to pass a constitutional amendment permitting the state to charge school fees. Whether sharp declines in enrolment 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 per cent in secondary schools in some areas,
while nationally, new enrolments declined sharply and would not reach 1985 levels until the mid-1990s.

III

EDUCATION IN VIETNAM’S MARKET-LENINIST WELFARE REGIME

Vietnam’s transition from state-socialism to a state-dominated market economy has occasioned the rise of a market-Leninist welfare regime distinguished by a specific and, in some respects, contradictory mix of state-socialist, neoliberal, and corporatist principles and institutions. Understanding the development of this regime, its precise institutional attributes, and its stratification effects provides a foundation for an analysis of continuity and change in the principles governing the provision and payment for education and education inequalities in Vietnam since 1989.

Welfare Regimes in the Path from State-socialism

Transitions from state-socialism involve a redefinition of the relationship between the state and the economy and the rise of a new welfare regime. But the precise institutional attributes of the new regime depends on the particular circumstances of a country’s exit path from state-socialism, the intensities and kinds of institutional legacies of state-socialism that remain, and the dynamics of the political economy that emerges in state-socialism’s aftermath. Indeed, the character of a country’s exit path from state-socialism affects the subsequent development of a country’s political economy and its attendant welfare-regimes.

Theoretical literature on transitions from state-socialism has clarified basic differences in transitions from state-socialism and their consequence with respect to subsequent patterns of institutional change. Analysis of the political economies and welfare regimes of Eastern Europe and Russia is beyond the scope of this work. But an awareness of the basic dimensions of variation in transitions from state-socialism is necessary. Szelenyi and King (2005) have observed at least three distinctive pathways from state-socialism, including a European path, a Russian path, and an East Asian (read “Chinese”) path. In much of Central and Eastern Europe, they argue, the erosion of state-socialist institutions culminated in political revolutions and the formation of new states, based on a political alliance
Historical Welfare Regimes and Education in Vietnam

of liberal intellectuals and neoliberal economic technocrats, supported by foreign investors, but largely insulated from former nomenklatura elements. Szelenyi and King have dubbed this type of transition a “revolution from without”. In Russia, by contrast, remnants of the state-socialist nomenklatura joined forces with emerging oligarchic business interests to seize political and economic power in a “revolution from above”. Among other things, this entailed the primitive accumulation of formerly public assets and the establishment of an authoritarian and now quasi-fascistic regime. In the so-called East Asian path (and here the authors focus on China, only mentioning Vietnam), communist parties survived the bottom-up dissolution of state-socialist economic institutions. This was a so-called “transformation from below”, in that changes in grassroots economic institutions, associated productivity improvements, and spillovers into savings and investment propelled the transition. Notably absent is any element of political revolution. Indeed, many of the institutional features of state-socialism survived the market transition, particularly, though not exclusively, in the political sphere.

In both Vietnam and China, the communist parties survived the dissolution of state-socialism with their political monopolies intact and proceeded to use markets, and instrumentally to promote state imperatives. The way they have done so has varied and can only be understood in relation to the dynamics of each political economy (London 2009). Political leaders in both countries insist on their commitment to “socialism”, which they identify with broad notions of public ownership and shared wealth, rather than with the existence of a planned or market economy per se. Such an understanding of “socialism” is interesting but, in important respects, too detached from reality to be useful. For it is politically mediated and dramatically inequitable private accumulation within the shell of formally “public” institutions that is the hallmark of market-Leninist political economies. Political principles of Leninism remain the preponderant mode of political integration and are an important determinant of market power, while markets — alongside redistribution — have emerged as a dominant mode of economic integration. Leninism and politically-mediated markets are principal arbiters of social inequalities.

Comparative analyses of China and Vietnam are suggestive of the generic and distinctive attributes of these market-Leninist regimes (see, for example, London 2008). In both Vietnam and China, contemporary welfare regimes are characterized by a contradictory, but stable combinations of
redistributive, neoliberal, and communist-corporatist principles that are unique from welfare regimes in other settings. 

Redistributive elements of Market-Leninist welfare regimes include the maintenance of large-scale state planning institutions, fiscal republicanism that share state revenues across localities, and centrally funded social policies. Neoliberal elements of market-Leninism involve the selective embrace of market-led governance in certain fields, including (at times) essential services, such as electricity, water, and health care. Finally, communist-corporatist elements of market-Leninist regimes refer to economic and welfare policies that target strategically important political constituencies (for example, retired state managers, industrial workers, war veterans, and soldiers’ mothers) and which reinforce dogmatic Leninist ideologies. Whether and to what extent this combination of elements can be called “socialist” is open to debate. Certainly, individual elements of market-Leninist regimes can be found elsewhere. The distinctive combination of redistributive, neoliberal, and communist-corporatist principles is unique to Vietnam and China (London 2009). The development, attributes, and stratification of Vietnam’s market-Leninist welfare regime is now examined in greater detail.

The Political Economy of Vietnam’s Market-Leninist Welfare Regime

Vietnam’s transition from state-socialism has involved a redefinition of the relation between the state and the economy and, with it, the development of a new welfare regime. Broadly, economic growth associated with Vietnam’s market transition has improved welfare and living standards. But the country has seen fundamental changes in institutional arrangements governing welfare and in the mechanisms governing social inequalities.

Understanding Vietnam’s contemporary welfare regime requires an appreciation of the country’s political economy. The country’s transition to a state-dominated market economy — and the country’s intensifying intercourse with processes and institutions of global capitalism — have occasioned rapid economic growth and significant, if uneven, welfare improvements across different regions and segments of the population. But Vietnam’s transition from state-socialism has not entailed a decline in the political and economic power of the state. Rather, the CPV has managed to use combinations of politics and markets to promote its political imperatives.
The fiscal crisis of the middle and late 1980s all but paralysed the state and reduced the leverage of the central state in planning. But the CPV and its state have since harnessed market economic institutions to bolster economic accumulation. While coalitions of provincial leaders (especially from the south) and enterprise managers detain political clout, the central state has gained unprecedented fiscal powers by virtue of its control of trade and budgeting, although it has transferred political authority over budgeting back to localities in some fields. Politically, important legacies of state-socialism remain: state planning institutions remain strong, state agencies (from business enterprises to schools) remain thoroughly interpenetrated by party cells and, “grassroots democracy” and freedom of the press lay a harmonious façade of accountability over what remains an illiberal and secretive polity.

Continuity and change in Vietnam’s political institutions can be better seen with respect to state attempts to regulate the economy and welfare. Vietnam’s market reforms are complex and have been detailed elsewhere, but their main impact has been to promote the development of a state-dominated market economy. Failures in the country’s centrally planned economy in the 1980s spurred a coalition of southern reformers and provincial leaders to champion greater market reforms. The sequencing of enterprise reforms prior to agricultural reforms, the subsequent modest scope of gains in agriculture after the reforms, and the absence of anything comparable to China’s famed township and village enterprises gave surviving SOEs (state owned enterprises) a dominant market position. Structurally, the largest proportion of the population is in household-based agriculture. State agencies and state owned enterprises remain the most powerful economic players, and many have benefited through collaborations with foreign investors. The state permits and promotes oligopolies in industry and trade. Vietnam has an increasingly lively but (in comparison to China) small-scale private sector. Indeed, state economic policies appear to aim at securing state control over the commanding heights of the economy and simultaneously preventing the development of an independent bourgeoisie by promoting a corporate national bourgeoisie within and on the borders of the party and state. Even at local levels of governance, those within or with superior access to state decision-making bodies are favoured in the new market economy.

The essential spatial duality of the economy has remained, though the economic relation between rural and urban areas no longer centres on
gains from agriculture being invested in industry. Towns and cities have transformed from largely domestically-oriented centres of administration and industry to globally-linked centres of business and administration with peri-urban agglomerations of labour intensive manufacturing. Rural areas feature decollectivized small-holder agriculture geared towards subsistence and production for the markets and larger-scale plantation agriculture dominated by state-owned and foreign-invested enterprises. The most rapid economic growth and industrialization has been concentrated in and around Ho Chi Minh City and Hanoi and their environs, boosting local revenues of provinces and municipalities in those areas while transforming agricultural lands into surreal industrial landscapes.

Redistributive measures such as the redistribution of revenues from wealthy to poor provinces have mitigated regional inequalities to an extent. While significant, the scope of these transfers has not been sufficient to offset market-driven uneven development. Indeed, provinces with high revenues streams enjoy residual claimancy rights, under which they retain control over revenues in excess of centrally mandated revenue contributions (World Bank 1996a; Socialist Republic of Vietnam and World Bank 2005). Nor are interprovincial transfers always necessarily welfare-enhancing, as such transfers can be linked to state-financed construction projects of questionable economic benefit to local populations.

With respect to welfare, a fundamental difference with the past lies with economic growth. Over the last two decades, Vietnam has experienced rapid, if uneven, economic growth and significant, if uneven, improvements across virtually all indicators of living standards. Economic growth does not tell us about the welfare regime, however, which is defined by institutional responsibility for the creation and allocation of welfare and its stratification effects.

Contemporary Vietnam’s welfare regime combines redistributive, neoliberal, and communist corporatist elements. The welfare regime is liberal in that households’ economic security depends principally on income from wage labour and commodities production, with public transfers of income and assets and subsistence agriculture playing secondary roles. With respect to essential welfare services — such as education and health — the welfare regime is more complex. On the one hand, the state provides and pays for a floor of essential welfare services (for example, preventive health, basic education) and is currently expanding insurance schemes to
Historical Welfare Regimes and Education in Vietnam

protect against covariate and idiosyncratic shocks. Beyond basic services, state policies have shifted institutional responsibility for financing essential social services onto households. The state has deployed safety nets mechanisms to address the needs of certain segments of the population, including officially certified poor persons and members of valued political constituencies.

In essence, the CPV has sought to promote a hybrid regime in which state, market, household, and third-party (insurance) elements share institutional responsibility for the provision of and payment for welfare. The state has promoted a transition to this new regime in a decidedly *ad hoc* manner, describing the shifting of institutional responsibility for the provision of and payment for essential services as a process of "socialization" (xã hội hóa). "Socialization" is a term whose definition Vietnamese officials have customized or reinvented to describe certain normative ideas concerning appropriate institutional arrangements for the governance of essential social services. When Vietnamese policymakers refer to "socialization" they are referring to three inseparable processes — none of which involves the public finance of social services, as socialization is understood throughout the rest of the world. "Socialization" refers (1) to the selective withdrawal of the state from certain activities which non-state entities are deemed capable of performing more effectively while ensuring a desired outcome; (2) to a process of social mobilization (huy động xã hội) that will “liberate” the state from excessive burdens by “bringing into play” (phát huy) maximum resources and energy from all sectors of society, and (3) to the assumption that the Party, state, and “people” will collectively manage the process in a way that is accountable and produces optimal results.27

In practice, “socialization” is more complex still. There are several reasons. Three will be stated here. First, “socialization” is an umbrella term that state officials use to refer not only to the withdrawal of the state from the provision of certain services but also to a wide variety of mechanisms whereby state providers of services seek to mobilize resources outside of the state budget. Everything from introducing fees for public services, to promoting joint ventures between public and private service providers, to promoting foreign investment is dubbed “socialization”. Second, in general policy statements, the “social mobilization” component of “socialization” is almost always vague. There is no agency. “Socialization” enthusiasts see it as a process that is neither “top-down” nor “bottom-up” and whereby
all segments of society participate in the provision of services. This may work well in diagrams, but it bears little resemblance to reality. Which brings us to the third decisive element of “socialization” — its use as a term to describe, justify, and promote ad hoc institutional arrangements involving fuzzy combinations of public resources and private interest under party leadership. “Socialization” may be a temporary phenomenon, as its existence owes in large part to the absence of a well functioning tax system and to the limited resources and weak allocative capacities of the state. As we will see in the analysis of education, the greatest practical effect of “socialization” has been to shift institutional responsibilities for essential welfare services away from the state. In many instances, the burden is shifted onto households.

Mechanisms governing social inequalities in contemporary Vietnam reflect historical and contemporary patterns of uneven development, as well as the stratifying effects of market-Leninist institutions. On top of pre-existing regional inequalities, Vietnam’s market transition has contributed to the generation, reproduction, and intensification of regional inequalities in per capita income terms. But the country has also experienced a reconfiguration of social class that is in important respects an outgrowth of specific accumulation strategies pursued by the state. Party membership and membership in other state organization remain important determinants of life chances, affecting employment, access to capital, and access to welfare-enhancing goods, services, and information. The country has also seen the emergence of a commercial petit-bourgeois. But uneven development and institutional arrangements governing politics, economy, and welfare have contributed to inequality within and across urban and rural areas. The country has seen the development of a tiered system of essential social services in which access to services beyond a basic level is contingent on out-of-pocket cash payments. In economically depressed parts of the country, where growth in household earnings have lagged, the quantity and quality of services are typically inferior to that available in urban areas. In the sphere of essential services, the state ensures a basic floor of services, while services beyond this basic level are subject to market principles. State safety net programmes target certain segments of the population (within limits) and strategically important political constituents. These principles and institutions are evidenced in the sphere of education.
Education and Educational Inequalities under Market-Leninism

Vietnam’s economic growth over the last two decades has permitted continuous expansion in the scale and scope of schooling, as detailed in the introduction. Rapid economic growth has enabled continuous growth in total spending (that is, state and non-state) on education, including substantial investments in infrastructure and establishment of schools in previously underserved areas. Gross and net enrolments are up across all levels of education and most segments of the population. Table 2.1 is suggestive of the many kinds of educational inequalities that exist in Vietnam. As has been made clear, many of the inequalities that exist in Vietnam today are not new (for example, rural-urban inequalities). But the development of a new welfare regime in Vietnam has meant important changes in formal and informal principles and institutions governing the educational inequalities. As was shown in Chapter One of this volume, many forms of educational inequalities in Vietnam have declined. The relative parity between girls and boys is particularly noteworthy. On the other hand, enrolment inequalities are only part of the story and there are many forms of inequality that the state’s ameliorative “safety-nets” policies and target programmes have only partially mitigated.

Policy Principles and Their Intended and Unintended Consequences

Under Vietnam’s market-Leninist regime, state policies have shifted an increasing share of institutional responsibilities for the provision and payment for education away from the state. More specifically, education policies have shifted an increasing responsibility for the provision of education onto “markets” by permitting and promoting the development of so-called “non-public” or “extra-public” (ngoài công lập) schools, including “people’s founded” (dân lập) and private (tư tực) schools at the pre-primary, secondary, and tertiary levels. State policies have, at the same time, shifted an increasing share of the responsibilities for education finance from the state onto households by permitting and promoting the collection of various school fees.

The two most fundamental changes in principles governing the provision and payment for education concern the introduction of the fees-for-service principle and the gradual expansion of non-public schooling. First, since 1989, fees for schooling have expanded continuously so that
### TABLE 2.1
Primary and Secondary Education Indicators, 2006

<table>
<thead>
<tr>
<th>Percentage of children aged 36–59 months currently attending early childhood education</th>
<th>Percentage of children of primary school entry age currently attending grade 1</th>
<th>Primary net attendance ratio</th>
<th>Lower-Secondary and Upper-Secondary Net attendance ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gender</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>53.3</td>
<td>95.5</td>
<td></td>
</tr>
<tr>
<td>Female</td>
<td>61</td>
<td>91.5</td>
<td></td>
</tr>
<tr>
<td><strong>Regions</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Red River Delta</td>
<td>80</td>
<td>98.5</td>
<td>97</td>
</tr>
<tr>
<td>North East</td>
<td>46</td>
<td>86.8</td>
<td>97.7</td>
</tr>
<tr>
<td>North West</td>
<td>50</td>
<td>88.7</td>
<td>94.2</td>
</tr>
<tr>
<td>North Central</td>
<td>66.9</td>
<td>94.1</td>
<td>98.4</td>
</tr>
<tr>
<td>South Central</td>
<td>43.8</td>
<td>92</td>
<td>94.7</td>
</tr>
<tr>
<td>Central Highlands</td>
<td>44.4</td>
<td>94.1</td>
<td>90.8</td>
</tr>
<tr>
<td>South East</td>
<td>63</td>
<td>91</td>
<td>89.9</td>
</tr>
<tr>
<td>Mekong Delta</td>
<td>39.8</td>
<td>95.7</td>
<td>95.9</td>
</tr>
</tbody>
</table>

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<th>Lower-Secondary and Upper-Secondary Net attendance ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gender</strong></td>
<td>Male</td>
<td>Female</td>
<td>Total</td>
</tr>
<tr>
<td>Female</td>
<td>53.3</td>
<td>95.5</td>
<td>97</td>
</tr>
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<td><strong>Regions</strong></td>
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<tr>
<td>Red River Delta</td>
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<tr>
<td>South East</td>
<td>63</td>
<td>91</td>
<td>89.9</td>
</tr>
<tr>
<td>Mekong Delta</td>
<td>39.8</td>
<td>95.7</td>
<td>95.9</td>
</tr>
<tr>
<td><strong>Area</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Urban</td>
<td>74.7</td>
<td>91.6</td>
<td>94.6</td>
</tr>
<tr>
<td>Rural</td>
<td>51.4</td>
<td>94</td>
<td>95.6</td>
</tr>
<tr>
<td><strong>Mothers’ education</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>None</td>
<td>46.5</td>
<td>92.9</td>
<td>93.8</td>
</tr>
<tr>
<td>Completed primary</td>
<td>51.7</td>
<td>94.2</td>
<td>95.9</td>
</tr>
<tr>
<td>completed lower secondary</td>
<td>71.7</td>
<td>96.3</td>
<td>97</td>
</tr>
<tr>
<td>Completed upper secondary</td>
<td>83.1</td>
<td>94.9</td>
<td>95.7</td>
</tr>
<tr>
<td>Mother not in household</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Income Quintiles</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q1 (poorest)</td>
<td>35.7</td>
<td>93.1</td>
<td>95</td>
</tr>
<tr>
<td>Q2</td>
<td>48.9</td>
<td>94.7</td>
<td>96</td>
</tr>
<tr>
<td>Q3</td>
<td>56.7</td>
<td>94.3</td>
<td>93.9</td>
</tr>
<tr>
<td>Q4</td>
<td>61.7</td>
<td>93.5</td>
<td>98.3</td>
</tr>
<tr>
<td>Q1 (richest)</td>
<td>80.7</td>
<td>91.9</td>
<td>94</td>
</tr>
<tr>
<td><strong>Ethnicity</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>39.6</td>
<td>90.5</td>
<td>93.8</td>
</tr>
<tr>
<td>Kinh/Hoa</td>
<td>60.9</td>
<td>94.1</td>
<td>95.7</td>
</tr>
<tr>
<td>Total</td>
<td>57.1</td>
<td>93.5</td>
<td>95.4</td>
</tr>
</tbody>
</table>

an average household can expect to pay five or six different types of school fees, in addition to other expenses discussed below.\textsuperscript{29} As a result, education has become a significant and at times overwhelmingly large expenditure item for households.\textsuperscript{30} By 1996, household expenditure was estimated to account for 43 per cent of total (that is, state and household) expenditures on education (World Bank 1996) and today’s estimates are that roughly 50 per cent of the total spending on education is out of pocket spending. A 2003 study from the Vietnam Academy of Social Sciences reported that the average expenditure for a middle school student includes: VND72.2 thousand in school fees; 66.7 thousand for other contributions; 53.1 thousand for uniforms; 65 thousand for books; 56.8 thousand for other study materials; 107.5 thousand for extra study; and 30.3 thousand for other expenses; adding up to an average grand total of VND454.8 thousand a month, an amount equivalent to the lion’s share of a low-wage worker’s salary (VKHXHNV 2003). Table 2.1, lists other data on household education expenditure.

A second important policy change concerns the permission for and promotion of non-public provision of education, including “non-state” (that is, private) provision of non-primary education and various forms of “semi-public” arrangements, according to which a public school has two or more schedules of fees for different students. These components of socialization reduce financial burdens on the state while increasing burdens on certain households (MOET 2002, cited in UNDP Hanoi 2006). 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 (bàn công) schools, semi-public classes within public schools, and people-founded (dân lập) private schools.\textsuperscript{31} Semi-public schools and classes are partially subsidized through the state budget, but students have to pay three to four times more than public school students.\textsuperscript{32} In practice, this is a blueprint for a two-tiered dualist education system.

Some critics of “socialization” worry that its basic effect is to shift an increasing share of the costs of schooling onto households. As one commentator notes:

Beyond the spirit of supporting children in their studies and promoting a close relation between the school, family, and society … the real meaning of [socialization] that everyone knows is to contribute’ [đóng] money to the school: contribute the fee, contribute to the supplemental funds like
the construction fund, sanitation, water, parking, electricity (through the parents’ school committee), … for text books and materials, various kinds of extra study … All these contributions have the signature of the parents next to the word “voluntary”! (Người Hà Nội newspaper, quoted in Nguyễn Thế Long 2006).

In practice, “socialization” is interpreted and acted upon by different individuals and organizations in different ways. Sometimes the term is used to refer to people investing funds to open a school (usually under the heading “people founded” school) for students unable to qualify for public schools. At other times, socialization is used to describe efforts to promote foreign investment in education (Người Hà Nội newspaper, quoted in Nguyễn Thế Long 2006). Confusion over the meaning of the term can frustrate even those with long experience in the education sector. As a former education minister lamented, concepts such as “socialization” make policymakers look like “chickens lost in the rice paddy” (Vũ Ngọc Hải 2004).

Mechanisms Governing Educational Inequalities

Educational inequalities in Vietnam 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 towards an education system in which opportunities are increasingly contingent on household’s ability to afford out-of-pocket expenditures. While some of these inequalities are reflected in survey data, the mechanisms governing educational inequalities are not.

Data on education finance were presented in Chapter One and will not be repeated here. What bears emphasis is that Vietnam’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. Once again, 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 Vietnam tend, on average, to have more children (World
Bank 2004). This may be true. But it is also the case that the shifting responsibility for education finance that state policies have effected has produced new problems.

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

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 (see Figure 2.1).

Fees are one major cause of rising household expenditures on education. 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 one per cent of all primary education and just five per cent for lower-secondary education, 32 per cent of upper-secondary students were enrolled in semi-public schools by 2003, and the numbers are growing (MOET 2005).

In addition to tuition, local (that is, district and commune) authorities also collect annual construction “contributions”, compulsory payments that are earmarked for school upkeep and renovation. Non-tuition costs can be
FIGURE 2.1

Source: General Statistics Office, various years. Data in current prices.

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 only a limited portion of total household expenditures on education.

The trend towards the commodification of education has also been exacerbated by some unintended consequences of state policies, perhaps the most striking example of which is the pervasive informal economy called “extra study” (học thêm), in which public-school teachers provide class-based instruction for fees outside of school hours. While international agencies have begun to collect data on some aspects of “extra study” (such as household expenditures), they do not in my view grasp its significance. In practical terms, extra study classes can be as important as the formal school system itself. Any Vietnamese parent will agree. Rules prohibiting students studying with their public school teachers in extra study classes
are loosely applied. As recently as this year, parents in Hanoi reported sending children to study after hours with their normal “public” school teacher. 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 Hanoi), it is not uncommon to pay hundreds in U.S. dollars per year on extra study.\textsuperscript{37} 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, compared with US$40 a month from his salary at the time.\textsuperscript{38} In poor rural areas, we might expect that low household incomes would limit 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 food and fuel. Seventy per cent of in-school youth in Vietnam between the ages of fourteen and twenty-one report going to a private tutor (Ministry of Health et al. 2005).

In some respects, extra study in Vietnam is comparable to experiences in other Asian countries. But three features of extra study in Vietnam distinguish it from other countries. First, it is occurring in the context of a much poorer society — the majority of households in Vietnam 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 Vietnam’s students face pressure to take extra study courses from their own public school teachers.\textsuperscript{39} Those who do not enrol 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.\textsuperscript{40} The result is not only inequality between rich and poor households, but a pervasive sense of inequity, even
as overall school participation rates are improving in objective terms. It is notable that in the recently released Survey Assessment of Vietnam’s Youth, 44.1 per cent of youth not attending school cited financial reasons, while 25 per cent of those who dropped out of school reportedly did so for financial reasons (SAVY 2005).

Efforts to Reduce Educational Inequalities and their Limits

From its beginnings, the CPV has always professed a commitment to providing equitable access to education. In the context of the country’s new market economy, the Party has overseen the development of policies designed to extend educational benefits to poorer segments of the population, especially ethnic minority groups and others in poor, remote, and “difficult” regions, and children from households with recognized contributions to the “revolution”. These policies have taken two principal forms: the National Target Programmes (NTP) and Program 135 aimed at ethnic minority groups. The NTP programmes — formerly known as Hunger Eradication and Poverty Reduction (HEPR) — are targeted in two senses. On the one hand, they attempt to focus benefits on specific population groups (as mentioned above). On the other hand, they aim to contribute to Vietnam’s achievement of its Millennium Development Goals and progress in the eyes of the CPV and international donor agencies.

NTP-PR and P135 have sought to promote education with assistance for the construction of schools and various forms of financial assistance, including the exemption of school fees and other contributions for officially income-poor and ethnic minority children. Additional forms of assistance include conditional cash payments to income-poor households that send their children to preschool or boarding schools. Ethnographic research underscores the limitations of these policies. In practice, the NTP-PR and P135 policies are having a significant impact, but they are frequently overwhelmed by other factors that conspire to deprive children of educational opportunities. By 2004, an estimated 12–20 per cent of poor households in Vietnam receive some education benefits through HEPR, and roughly 12 per cent of these recipients indicated that they would not have sent their children for schooling had they not received tuition exemptions.

But the cost of schooling, geographic barriers, and (intended and unintended) discrimination continue to undermine the educational
prospects of Vietnam’s children, particularly those in ethnic minority and other socio-economically vulnerable groups. Despite fees reductions and exemptions schemes, the cost of education remains a major obstacle to schooling. According to one calculation, 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). At the grassroots level inclusion in fees exemption schemes requires being officially recognized as a poor household. Moreover, while fees exemptions eliminate an important component of the costs of education, poor households almost invariably lack the means to pay for other costs (for example, food, transport, informal payments, etc.), let alone that required to participate in extra study. Despite consistent state claims that these programmes effectively protect the poor, they have important limitations. These programmes may mitigate educational inequalities, but they do not address fundamental sources of inequality.

CONCLUSION

The development of a quasi-universalist formal education system in Vietnam under centrally planned state-socialism was a project built on stable class alliances, produced historic gains in literacy and primary education, and enabled the CPV to achieve major political imperatives, including the promotion of welfare, social order, and political legitimacy. But over time, state-socialism generated new class hierarchies, and education policies and their conduct promoted major educational inequalities, many of which were due to state-socialist mechanisms of distribution. Vietnam’s transition from centrally planned state-socialism to an internationally linked market economy enabled rapid increases in the scale of formal education and — in important respects — improved the quality and accessibility of education. But the emergence of a new economy transformed the character of class relations — both within and outside the state. This phenomenon, in combination with new education policies and other factors, contributed to the emergence of new inequality-generating mechanisms, which in some cases replaced and in others, added to the inequality legacies of state-socialism.

In this chapter, I have introduced welfare regimes analysis as a way of conceptualizing changes in the principles and institutions governing education in Vietnam. In the empirical analysis I sought to explain the
principles and institutions governing schooling in Vietnam 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 Vietnam’s education system and 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 undertaken by a Market-Leninist regime under which a state business elite and a growing urban-based petty bourgeoisie have thrived on market opportunities. In contemporary Vietnam, education at a basic level is accessible to all. But educational opportunities beyond that level are much more difficult to grasp for those towards the bottom of the country’s developing class hierarchy. As inequalities in Vietnam’s education system become further institutionalized, we might expect that 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.

In both China and Vietnam, the relation between the state and the economy are mediated by Leninist institutions. In both countries, responsibility for the creation and allocation of different types of welfare is distributed across the state, market, and household spheres in combinations that defy conventional categorizations. In both countries, markets play a fundamental role in the determination of welfare, even as the Leninist state’s retention of key redistributive functions and secretive party institutions actively structures market-based accumulation and welfare institutions and, hence, social inequalities. In market-Leninist regimes, the state retains a role in the creation and allocation of welfare through its social policies, but private (that is, market-based) provision of essential welfare goods (including education) also occurs, though often within the shell of state (nominally “public”) institutions. Institutional responsibility for the payment for many essential welfare goods (such as education, health, and housing) is shifted onto households. Once again, it is important to appreciate Vietnam’s distinctiveness as well as its social diversity. Welfare institutions look and feel different in the northern province of Lào Cai compared with the southern province of Sóc Trăng.
With such internal diversity and with such differences from China, why is Vietnam usefully construed as having a market-Leninist welfare regime? My provisional response is that, in market-Leninist regimes, political inequalities associated with communist party membership remain an important mechanism of social stratification and mediate market-based inequalities, which nonetheless emerge as a major and, in many respects, dominant mechanism of stratification. Like social policies under various forms of welfare capitalism, social policies under market-Leninist regimes are designed to counteract market-based inequalities and at the same time promote the subjective legitimacy of, and consent to, state power. But within market-Leninist regimes, the politics of redistribution have a specific ideological content of social policies (including education) and cannot be dissociated from the accumulated social history of the political regime. As the case of education in Vietnam shows us, the character of social policies under market-Leninism varies and exhibits socialist, neoliberal, and corporatist element. Their ideological rationale is decidedly mixed, as is their ability to generate recognizably “socialist” outcomes in the context of a market-based economy.

An analysis of the role of class politics in the determination of Vietnam’s welfare regimes have been presented here only in broad strokes. My main claims have been programmatic and conceptual; that is, that by identifying the generic features of state-socialist and market economies and by appreciating their particular instantiations in Vietnam, we can better understand the principles and institutions governing education and educational inequalities in Vietnam over time.

Notes

1. The journalists Nicolas Kristof and Sheryl WuDunn (1994) were, to my knowledge, the first to use the term market-Leninism in a published work. I arrived at the term independently in the mid-1990s, though I am sure others did too. I really don’t care whether I was original. In the meantime, I have sought to specify the meaning of market-Leninism with the understanding that, as a sociological concept, it would only be useful if it has real analytical purpose: that is, that it identifies some real institutional properties. See London (2009) for a fuller elaboration.

2. In liberal regimes (such as the United States and Canada), welfare needs are secured primarily through the market (economy), while the institutional spheres of state and family play important but more marginal roles. In conservative-
corporatist regimes (such as Germany and Italy), the family plays a central role in the creation and allocation of welfare while the state assumes an important subsidiary role and the market is comparatively marginal. Finally, in social democratic welfare regimes (such as Sweden), the state plays a central role in welfare provision, while the welfare roles of the family and market are comparatively marginal.

3. The example of the United States is illustrative of both how welfare regimes develop and how they change. The New Deal emerged in the 1930s as the product of a “red” — “green” coalition of labour and farmers; it resulted in the development of a large-welfare state, even as other class forces effectively prevented the state from adopting truly universalistic social security programmes and blocked future welfare state development. In the post-World War II period, the New Deal withered in the face of new middle-class political alliances (Esping-Andersen 1990, p. 31).

4. Though not without losing sight of important differences between developing and transitional country settings and countries with advanced welfare states. Such differences include, forms of economy, political institutions, state capacities, the role of informal institutions, and so on (Gough 2004).

5. Wood (2004), for example, introduces the interesting notion of “insecurity regimes” to refer to welfare regimes in which human security (that is, economic security and basic needs) is under constant threat.

6. In this context it bears emphasizing that in any social formation, and probably particularly in developing countries, states heavily influence, but do not alone determine welfare regimes. States shape institutions, but institutions shape and limit states too.

7. 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).

8. The Communist Party of Vietnam was established in exile (in Kowloon, Hong Kong) in 1930, but shortly thereafter renamed and reestablished itself as the Indochina Communist Party (ICP, Đảng Cộng sản Đông Dương) under the authority of the Comintern. In 1951 the party was renamed the Việt Nam Workers’ Party (Đảng Lao Động Việt Nam), before reverting to the name CPV in 1976. For practical reasons, I refer to the party throughout as the CPV.

9. If the party had a class character in its early stages, it was not mainly proletarian or even peasant-based. The density of party membership in Vietnam remained comparatively low (as a proportion of the population) and was and remains regionally uneven. Northerners and indeed certain regions of the north have and remain overrepresented in party ranks, as Carl Thayer has pointed out in a personal communication.
10. In the post-war 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 Vietnam of the 1960s, the state’s efforts at coercive collectivization met with various forms of resistance.


12. The Democratic Republic of Vietnam (DRV) was founded in 1945 and recognized internationally by the Geneva Accords in 1954.


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


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

17. Ethnic minority groups account for roughly 15 per cent 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.

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

19. The continuing poor performance of Vietnam’s economy was compounded by the country’s political and economic isolation under the U.S.-Sino embargo.

20. Circular No. 19-TT/LB dated 23 July 1984. With respect to the funds, 65 per cent would be used to supplement the government budget for physical repairs and funds for teaching materials; 20 per cent was to be used for welfare and rewards, while five per cent was to be used for fund management. Ten per cent was directed to the district education office.


22. To suggest these regimes are market-socialist is to understate the importance of the communist party in organizing the economy and to overstate the importance of socialist principles in the design of public policies. To call them “capitalist” is to suggest the supremacy of liberal economic institutions (e.g. private property) and the presence of a dominant capitalist class. To call it “capitalism” with Vietnamese or Chinese characteristics is too vague to be
meaningful. While market reforms in both Vietnam and China grew out from the cracks in state-socialist economic institutions, their market-economies have been and continue to be heavily shaped by the political logic of the communist party, hence market-Leninism.

23. This is characteristic of Deng Xiaoping’s thinking, which has greatly influenced Vietnamese thinking on the matter. See the translation of Cung Kim Quốc et. al. Chủ Nghĩa Xã Hội Cũng có thể Áp Dụng Kinh Tế Thi Trường (Socialism can also apply market economics). Nhà Xuất Bản Chính Trị Quốc Gia.


25. In China, the fiscal federalism that prevailed for much of the 1990s (the so-called “eat in separate kitchens” policy) was blamed for the rapid degradation of essential social services, but the central government has more recently announced massive redistributive initiatives affecting infrastructure, health, and education.

26. One is reminded of Becker and Sklar’s (1999) volume on “postimperial politics” and even shades of Becker’s earlier (1982) analysis of the “corporate national bourgeoisie” in Peru’s “bonanza development”.


28. This means, that in the “post-subsidy period” (hậu thời kỳ bao cấp), as the Vietnam state does not have sufficient resources to finance many essential social services, “socializing” or “privatizing” certain state functions will reduce burdens on the state budget and allow the state to perform its core functions more efficiently and effectively.

29. 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.

30. Survey data on household education expenditure reveal that by 1996–97, school fees accounted for 46.1 per cent and 61.7 per cent 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).
31. 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 typically more expensive. Both semi-public and people-founded forms are permitted at all levels of education except the primary level.

32. During fieldwork in Quang Nam Province in 2000, I found that semi-public students in public schools paid five times the tuition fees of public students.

33. 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 Vietnam’s education is to be discussed elsewhere due to space consideration.

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

35. Vietnam’s seven geographical regions include the two richest regions — the south-east (including Ho Chi Minh City) and Red River Delta (including Hanoi and Hai Phong) — and five other geographical regions.

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

37. According to the 1998 Vietnam Living Standards Survey, extra study expenses, on average, comprised roughly 18 per cent of household education expenditures for lower-secondary students and 28 per cent 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 Vietnam’s Quang Nam province, it was observed that many rural households expended VND100,000 per month on extra study for secondary school students compared with VND17,000 for school fees.

38. Notes from personal communication with an upper-secondary teacher in Danang in May 2000.

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

40. This is more eloquently captured in Vietnamese as “hoc them la chinh va hoc chinh la phu” [Extra is the main part, main part is the minor] as one

41. 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).

42. Decision 112 establishes monthly payments of VND70,000 to certified income-poor households for the preschool attendance of their children, of VND140,000 for households with children attending semi-boarding schools.

43. Although the HEPR scheme was designed to incorporate democratic participation at the grassroots level, the implementation of the programmes has been frequently top-down (Vietnam Consultative Group 2004, pp. 27–30).

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