POLITICAL SYSTEM REFORM PROCESS IN VIETNAM

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I. Background

The political system in Vietnam follows the former Soviet Union style, which includes the sub-systems of Party, state and mass organizations. It remains almost unchanged since the 1986. While Vietnam has been achieving impressive socio-economic development results, the political system somehow lag behind the socio-economic development process.

At present, the political system in Vietnam is relatively heavy, costly and inefficient with many overlapped and/or duplicated funtions/responsibilities across sub-systems and agencies. As a result, the resolution No. 18-NQ/TW dated 25 October 2017 of the Central Committee of the Communist Party of Vietnam (CPV) set the following target by 2021: "to reduce the number of agencies and enhance operational efficiency and effectiveness; reduce communelevel administrative units that are below 50% of standard requirements on population, natural land area and reduce the number of residential blocks"¹.

After more than three years of implementation, the political system's organizational structure and number of permanent staff has changed radically. Key results include: (i) significant reduction of the Party, state and mass organizations; (ii) enhanced efficiency and effectiveness thanks to merging the overlapped agencies and similar positions; (iii) large reduction of administrative units. However, there are many barriers and challenges that require a systematic transformation with strong political will and long-term vision for change toward a modern, efficient and effective political system.

II. Literature review

Jörn Dosch and Alexander L. Vuving²point out that similarities of governance structures in Vietnam and China are the economic reform processes toward market systems and the integration in global economic structures without touching the main pillars of the respective political orders. Overall, the convergence of governance systems in Vietnam and China lies in

¹ The resolution No. 18-NQ/TW of the Central Committee dated 25 October 2017 "A number of issues on continuation of reforming and organizational restructuring of political system toward compact, quality and operational efficiency and effectiveness". ² The impact of China on governance structures in Vietnam, Discussion Paper/Deutsches Institut für

Entwicklungspolitik ISSN 1860-0441, 2008

principles and policy (the value system of reform) rather than in structures and polity. Vietnam's learning from China is more a "path imitation" than "model imitation." They conclude that China's interactions with Vietnam may be a negative, unintended impact of China's policy toward Vietnam for the latter's political stability.

Huan Van Dang³ indicates that there have been strong stressors and the leaders of the Vietnamese Communist Party and government have felt great pressure to reform. The Party has shown the predisposition to reform in various guiding resolutions in the four policy sectors. Yet, in the cases of higher education policy on institutional autonomy and state-owned enterprise management policy, the lack of significant change in the policy image of the leaders has been the main reason for the absence of innovative policy change. In contrast, in the cases of international trade liberalization and legal reform in setting the level playing field for enterprises of all economic sectors, all the policy factors have occurred to produce radical policy changes in these two areas.

Quan Hoang Vuong⁴ argues that in the recent transition turmoil the Vietnamese economy has experienced some significant setback, and the solution for getting the country out of the downward spiral of low productivity, waning purchasing power and increasing costs of doing business cannot be worked out without addressing those political economy issues that have shaped the modus operandi of the nation's economic system. He stresses the needs for Vietnam to institutionalize three basic elements: a market economy, a law-based government and a civil society and get on the right future trajectory.

Thiem Bui⁵ argues that even without pressures from any political opposition, there is a growing need for the party-state to make the elections work better to bolster its legitimacy. Elections in Vietnam have long been marred by problems related to electoral integrity. Reforms of electoral integrity has been considered and cautiously implemented. An important aspect of the reform is to ensure the values, purposes and duties for which the power is entrusted to or held by electoral institutions are honoured. While achieving this will further the regime's legitimacy and credibility of elections among candidates, it faces a number of challenges, particularly due to an inherent problem about the independence of electoral institutions and the intervention at the discretion of party leaders at various levels. Despite these challenges, the paper argues that there exist some immanent elements embedded in the electoral integrity reforms for democratic transformative potential.

³ "A New Approach to Explain Policy Reforms in Vietnam during Đổi Mới by Developing and Validating a Major Policy Change Model for Vietnam", Ph.D. thesis, Portland State University, 2013

⁴ "Vietnam's Political Economy: A Discussion on the 1986-2016 Period", SSRN Electronic Journal, January 2014

⁵ "Elections in a Communist Party Regime: Vietnam's Electoral Integrity Reforms and Challenges". The Australian Political Studies Association Annual Conference, University of Sydney Paper, 2014. SSRN: https://ssrn.com/abstract=2440088 or http://dx.doi.org/10.2139/ssrn.2440088

Vu Thanh Tu Anh et al⁶ argue that the most feasible way for the Party-state to attain its development goals, to ensure social stability and to retain national sovereignty, thereby restoring its legitimacy. The authors reiterate the two important principles. First, as a comprehensive leading force for the state and society, the Party must be politically accountable to the people for its decisions. This idea has wide popular support and is officially recognized in the 2013 Constitution. Secondly, in Vietnam the executive branch is the most important organ of state power, but to attain inclusive development, its power must be checked and balanced by the legislature and judiciary.

In Vietnam, the social conditions for a fundamental and comprehensive reform have matured. Vietnamese businesses have been under severe strain and struggled with macroeconomic instability and economic slowdown since 2008. They now expect realistic improvement in the business climate. The growing middle class and intellectuals -wish for a broader civil space. If the Party and state can carry out the institutional reforms they have promised, the majority of businesses and people will collectively support these reforms. Otherwise, people and businesses'trust in the Party and state will teeter, and the legitimacy of the Party's leadership will continue to deteriorate. Reforms will surely be tough, yet the price to pay for postponing reforms would be tougher. It is time for the Party and state to walk the talk of institutional reforms, regaining the trust of society and solidifying their legitimacy.

Hai Hong Nguyen⁷ argues that the CPV's regime has been resilient thus far because it has successfully restored and maintained public trust, effectively constrained its opposition at home, and cleverly reduced external pressures. The author stresses that Doi Moi has proved the CPV's ability to be resilient to shocks and periods of crisis as they unfold. However, the regime's resilience is now being contested by new challenges associated with the so-called 'the system's fault'. These include high levels of public expenditure that has caused massive pressure on the state budget, a soaring sovereign debt, rampant corruption in the public sector, and destruction of the natural environment as a result of development. In addition, recent developments in elite politics, which are manipulated by vested interests and emerging crony capitalism in a more mature market economy, and the emergence of an increasingly assertive civil society with the support of the Internet, have presented tough challenges to the CPV's rule. In short, the resilience of the regime in the coming years will be contested by how smartly it deals with these challenges related to public trust in the regime.

Ajoy Datta and Enrique Mendizabal ⁸identify changes in key actors and policy spaces, dominant ideas, the role of networks and formal and informal institutions. The authors then explore how these have influenced the demand for think tank advice, the institutional location

⁶ "*Institutional Reform: From Vision to Reality*", A Policy Discussion Paper Prepared for the Vietnam Executive Leadership Programme (VELP), Harvard Kennedy School, 13-17/4/2015

⁷ "Resilience of the Communist Party of Vietnam's Authoritarian Regime since Doi Moi", Journal of Current Southeast Asian Affairs 2/2016: 31–55

⁸ "Political and economic transition in Vietnam and its impact on think tank traditions", On Think Tanks Working Paper Series, 2017

of think tanks, their key functions and capacity, their communication channels, and finally their influence on policy. We show that the demand for advice, particularly economic advice, from Vietnamese think tanks has increased, especially from new interests (albeit within the state), including a more robust National Assembly, new business elites, international donors and the media. Vietnamese think tanks are located largely within or are affiliated to state institutions. In some cases, they provide advice, whilst in others they go as far as drafting laws and regulation. Problems persist in the quality and objectivity of research. However, there are pockets of excellence with some think tanks able to produce arguably high quality research and provide critique to formal government policy, albeit carefully framed. As in many other contexts, think tanks struggle to work collectively to address complex problems. They tend to contribute to policy discussions in subtle ways through commenting on policy documents (where they are invited to do so), through private, informal meetings, through collective social processes and through media coverage, whilst their actual influence is almost always politically motivated.

Tuan Minh Nguyen⁹ points out that the political system of Vietnam follows the former Soviet style, which has shown increasing limitations in the current context of an open economy and global integration. These need to be reformed and improved. The findings show that there are impressive initial achievements. These include: (i) elimination of three steering committees, seven directorates etc.; around 200 bureaus, departments etc., and 65 provincial departments; (ii) reduction of 50 directorate-level leading positions, more than 300 bureau and department-level leading positions, about 200 provincial department-level leading positions and about 10 000 division/office-level managers. Challenges are inertia within the system, hesitation and conflicts of interest among decision makers. Therefore, strong political will from the top level, common understanding and effort from all Party members and support from people, as well as effective solutions in the coming years, are all required.

Futaba Ishizuka¹⁰ finds that the internal operation of the political system in Vietnam may demonstrate more continuities than changes, but it cannot stay away from dynamic changes in the outside world.

III. Political system reform process in Vietnam

3.1. Political and legal ground for a political system reform

The political and legal ground for political system reform in Vietnam includes: (i) related resolutions and documents of the Central Committee, Politbureau, Secretariat, National Assembly and Government. These include the Central Committee's resolution No.18-NQ/TW

⁹ "The political system's organizational structure and staff reduction process in Vietnam at present", Asian Journal of Comparative Politics, December 2019. Available at: https://doi.org/10.1177%2F2057891119895129 ¹⁰ "Political Elite in Contemporary Vietnam: The Origin and Evolution of the Dominant Stratum", the Developing Economies 58, no. 4 (2020): 276–300

on 26 October 2017 on continuation of the political system reform and restructuring and resolution No. 19-NQ/TW on 25 October 2017 on reform and restructuring of public institutions, resolution No. 22-NQ/TW on 15 March 2018 on rearrangement of the district and commune-level administrative units, the Politbureau's plan No. 07-KH/TW on implementation of resolutions No.18-NQ/TW and No. 22-NQ/TW, the Politbureau's Conclusion No.34-KL/TW on 7 August 2018 on piloting models in accordance with resolution No.18-NQ/TW, National Assembly's resolution No.56/2017/QH14 dated 24 November 2017 on public administration reform etc. These high-level documents provide strong political and legal ground for carrying the reform at various levels.

3.2. Status of political system reform in Vietnam

Key results of the recent political system reform efforts in Vietnam include:

First, reduction of number of agencies, employees in the Party, state and mass organizations and the running costs. These include: (i) reduction of 500 000 salary and subsidy payrolls from the state budget including 45 000 public officials, 200 000 permanent staff in public institutions, 7 000 contracted staff and 260 000 irregular workkers at commune, village and living area level; (ii) reduction of 4 central ministry-level agencies, 97 provincial agencies and more than 5 000 public institutions. As a result, this helps cut about 0.85% of the regular state expenditures with cumulative amount of VND 10 000 billion (equivalent to US\$ 43 million) over the last few years (2017-2019).¹¹

Second, enhanced efficiency and effectiveness of political system. A number of new models piloted to enhance the operational efficiency and effectiveness. These include merging agencies/offices that have similar functions/mandates such as the three provincial administrative offices (office of provincial national assessemly delegates, provincial people's council and provincial people's committee office), merging district-level party's commission on organizational and personnel affairs with the department of home affairs, district-level party's commission on inspection affairs with inspection office, the provincial party's committee of the business sector with party's committee of provincial administrative offices, the district-level party committee's office with district people's councils office and district people's committee office, combining the district-level chairman of mass mobilization and the chairman of Fatherland Front, combining the district-level chairman of communication and education and director of political training centres. The administrative units at district, commune, village and living area level that are being merged and rearranged. By the end of June 2019, eight district-level administrative offices, 565 commune-level administrative offices and 10 639 villages and living areas have been reduced.

Third, improved clarity on the agencies mandates and functions as well as accountability mechanisms. While there is no clear cut independence among legislative, administrative and judicial branches in Vietnam, the roles, functions and operational regulations of the

¹¹ https://vietnamnet.vn/vn/thoi-su/chinh-tri/bo-may-giam-can-qua-phan-quan-triet-nghi-quyet-cua-truong-ban-to-chuc-trung-uong-723169.html

Communist Party agencies, National Assembly, government and judicial agencies (Supreme Court, procuracy...) have been clarified, revised and improved significantly. The Party subsystem is mandated for development of the Party's direction, strategies, resolutions for the country's development and important issues, providing leadership as well as checking and monitoring the implementation process carried out by the state system. The state sub-system, which includes the National Assembly, State President, Central Government, Supreme Court, Supreme Procuracy and local authorities, is mandated for carrying out the implementation of the Party's direction, strategies, resolutions. While the National Assembly focuses on development of laws and legal documents to legalize the Party's direction, strategies and resolution and supervision of the implementation of these direction, strategies, and resolution, the central and local government focuses on actual implementation of these direction, strategies and resolutions. The sub-system of mass organizations (Fatherland Front, Youth Union, Women Union, Veteran Association, Farmers Union, Labour Union) if mandated for representing the people in exercising their rights and providing inputs/comments on the Party and state policies and decisions.

Fourth, strengthened the Party's internal control process and anti-corruption combating efforts. The Party's committees at all levels increase their checking and monitoring activities focusing on corruption prone areas and sectors. Over three years (2016-2018), 168 682 Party's cells and 782 902 Party members checked, of which 10 255 Party's cells and 30 709 checked upon violation. At all levels, there are 791 Party's cells and 42 298 Party members disciplined. At central level, 14 Party's cells and 44 Party members checked by the Central Commission on Inspection, of which 8 members of Central Committee and 67 Party members disciplined. At all levels, 108 592 Party's cells and 370 729 Party members monitored, of which 76 359 Party's cells and 111 787 Party members monitored by the respective Party's Commissions on Inspection. Total 56 478 denuanciation applications and letters submitted to Party's Commissions on Inspection at all levels, of which 19 290 applications and letters eligible, 5 446 applications and letters processed, 2 817 applications and letters (51.7%) concluded resulting in 183 Party's cells inspected, 62 Party's cells violated, 94 Party's cells partly violated and 6 Party's cells disciplined.

The anti-corruption efforts have been strengthened with many serious corruption cases discovered and high-ranking officials charged. Total 2 209 related officials disciplined, including 90 high-level officials that are under Central Committee's authority (minister or chairman of provincial people's committee level). Over the past five years, 44 serious cases with 518 people brought to courts and sentenced death penalty (three people), life prison (11 people), 30 years in prison (five people), from 12 months to below 30 years in prison (414 people), non-custodial sentences (15 people)...

However, limitations and challenges remain. These include:

First, the organizational structure of political system is still heavy, complex, inefficient and costly. Vietnam ranks 43th in the world in terms of ratio of public officials and people paid by

state budget per 1 000 people (excluding army and police forces).¹²The political system consists of the sub-systems of the Party, state (National Assembly, state president, central government and local authorities, supreme people's court and supreme procuracy) and the mass organizations.

The Party's sub-system includes 8 agencies, 67 Party committees, 4 central public institutions, 40 Party personnel committees at central level; 6 agencies, 2 public institutions and 1,146 Party committees at provincial level; 5 agencies, 1 public institution and 57 093 Party cells at district-level. This requires greater demand, faster and more effective continuation of organizational restructuring and staff reduction in the Party's organizations.

The government's sub-system includes central government and local authorities. The central government includes 30 ministerial agencies (22 ministries and ministry-level agencies, 8 government agencies and entities established by the government and Prime Minister such as National Financial Committee, Committee on State Capital Management, Steering Committees. There are 27 government members (Prime Minister, 5 Deputies Prime Minister, Ministers and heads of ministry-level agencies). The number of ministries in Vietnam is very high compared to other countries in the region, such as Japan (11), Singapore (15), Laos (16), South Korea (16), Thailand (19), China (20), Phillipines (20) and Malaysia (20), and particularly to Spain (12), Belgium (13), Germany (14), USA (15), france (16), Portugal (17), UK (17, Italy (18) and Russia (21)...

The local authorities include the Party's committees, people's councils, people's committees at all levels of the administrative units (provincial, district and commune levels), which have increased from 44 provinces/cities, 535 districts and 10 026 communes to 63 provinces/cities, 713 districts, 11 162 communes from 1986 to present respectively. This shows a sharp increase in number of administrative units from 1986 to 2016. These include 19 provinces/cities (increase 43.18%), 187 districts (increase 33.27%), 1 136 communes (increase 11.33%) and 111 282 villages, hamlets and residential blocks. The problem is that there are many district-level and commune-level administrative units do not meet the standard requirements. About 9% of total districts (49 districts) and 37% of total communes (3 363 communes) fail to meet standard requirements on land areas and population. Many communes have land area of less than one km2 and there is a ward having area of 0.15km².¹³

The sub-system of Fatherland Front and mass organizations (Youth Union, Trade Federation, Farmers Union, Women Union and Veteran Association) are also complex, bureaucratic and costly. They are established in parallel with the state system at all levels with their running costs borne by the state budget. There are 86 395 staff in Fatherfront Front and mass organizations, accounting for 14.14% of the country's total number of cadres and public officials. There are five key positions in every commune, namely chairman of Fatherland

¹² World Bank 2015

¹³ Resolution No. 1211/2016/UBTVQH13 dated 25 May 2016 of the National Assembly's Standing Committee on standards of administrative units and classification of administrative units.

Front, Secretary of Youth Union, Chair of Women Union and Chairman of Veteran Association. As a result, there are 55 810 core staff of these mass organizations, accounting for 23.7% of total commune-level staff from central to communal level, excluding staff in the villages and hamlets that get high allowance.

In addition, there are 63 345 associations managed by Ministry of Home Affairs, including 31 special associations at central level and 8 764 associations at local level (established by Prime Minister's Decision). The running costs of these organizations are mainly borne by the state budget.

Futhermore, there are too many public institutions, of which the running costs are borne by state budget, should be made self-financed. Total number of cadres, public officials and contracted staff that are paid or subsidied by state budget is 3,958,760 people as of 01 March 2017.¹⁴These include: (i) 437 067 cadres and public officials; (ii) 2 294 251 people from public institutions (excluding 150 246 people in the self-financed public institutions) that get salary and/or subsidy paid by state budget; (iii) 1 227 442 people at commune, village and residential blocks that have salary and/or subsidy paid by state budget and total number of people that have salary and/or subsidy paid by state budget and total local regular expenditures respectively.

The public institutions take a large proportion of staff that have salary paid by the state budget. There are about 58 000 public institutions in the country with total number of 2.2 million staff, accounting for 57.9% of total number of cadres, public officials and contracted staff. It is noteworthy that many of these institutions can be self-financed. This differentiates with the international practice and largely increases the state budget expenditures. It is therefore more effective and dynamic to have many areas transferred to non-state sectors and people.

Second, unclear distinction and division of functions, tasks, athority and operational structure and regulations among the Party organizations, state agencies and mass organizations. The relationship among these sub-systems in the political system remains incoherent. The Party's leadership on state and society lacks specific legal basis, accountability regime across Party's organizations and state agencies and mass organizations remains unclear. Particularly the relationship between the Party's standing committees and the People's standing committees, among the Party's organizations versus state agencies, collective leadership versus the heads of agencies accountability regime...remains ambigious.

Third, inefective internal power control system and weak accountability mechanisms. This leads to widespread political and ethical degradation, corruption and abuse of power, waste of public investment resource and state budget.

¹⁴ Central Steering Committee on permanent staff allocation management 2017

In short, the political system apparatus in Vietnam is complex, heavy, costly and ineffective. It actually lags behind the country's socio-economic development process and limits the country's development potentials.

3.3. The causes

Key underlying causes for current status of political system in Vietnam include:

First, the lack of study on long-term and overall model for political system. There is no fundamental, comprehensive and systematic study on organizational structure of political system in Vietnam. The past efforts focus largely on short-term and ad-hoc solutions. The lessons learnt and relevant research findings on organizational structure of political system have not been paid adequate attention. In essence, the functions and tasks of each organization in the political system are not clerally identified, as well as their relationships in the new context.

The current Vietnamese political system inherits and transists from a 30-year war-time political system. As a result, it has very much centrally planning and war-time policy style. During the wars, all policies and organizations'resources were mobilized for the liberation tasks, without simple analysis of costs and benefits or interests of specific social groups or individuals taken into account. The Fatherland Front and mass organizations were founded in this context and made great contribution since then. Yet, there seems little change in the political system after the wars while the global, regional and domestic context has changed dramatically. The study of the new political system has not been paid adequate attention. Furthermore, the political system that follows the former Soviet Union and China's model, which focused too much on ideological and political aspects without consideration on effectiveness, law-based state development and technical solutions for power control, shows limitation and irrelevance in present context.

Second, the political system reform process affects many people and faces tremendous system's inertia. Due to affected interests of the state management agencies, the transfer of public institutions' ownership remains challenging. These public institutions were established in the centrally planning period and largely managed by ministries or provinces/cities, which are closely linked and benefited from revenues, expenditures and staffing...They account for 57.9% of country's total cadres, public officials and contracted staff. As a result, the restructure is challenging despite the Government's plan and push. While many public institutions are potential for phasing out the state management, the management agencies tend to delay the restructuring process for their own interests.

There is still widespread tendency among people to get employed in the political system due to impacts of previous planning period and corruption. Popular thinking is that working in the political system is potential for promotion, power and money, helping out the family, relatives and friends as well as stability until retirement. There is popular tentency of reliance and passiveness among the cadres, public officials and state contracted staff. In addition,

resistance of the organizational structure and difficult redundant arrangment make this more complex.

Third, poor salary policies and incentive mechanisms limit good perfomance and talent attraction to the political system. Income of cadres and public officials is about average compared to that of private sector while the the requirements on education, training, experience and efforts are demanding. The mechanism of massive salary raise after 2-3 years or even 9 or 12 months earlier increase of about 10 steps in one category does not encourage good performance and good results. The housing mechanism for cadres, public officials and state contracted staff has been discussed over 20 years without feasibility. A small number of public service houses provided for rotated and seconded cadres so far.

Professional allowance regime for a number of occupations has been increasingly expanded and therefore losing its effects and misrelfecting the salary mechanism (in some sectors, allowance is a much as the salary). As a result, there are preferenrial creations that are "exceptional" and not in line with the regulations to attract qualified and experienced people. For instance, there are "nominal equivalence" in a number of central agencies, e.g. there is no management responsibility but eligible for the management allowances for the positions. There is a case of 6 "nominal equivalences" to director general and seven "nominal equivalences" to deputy director general in one department of a ministry or "nominal equivalences" of heads or deputy head of divisions. There are even 19 "nominal equivalences" of deputy director general, or if no promotion is made after 10 years, the deputy will get "nominal equivalence" of the head of agency. As such, removing the "nominal equivalence" is not easy at al.

The talented people and good performers are not adequately and timely rewarded while the poor performers and violators are not sufficiently penalized. The organizational and human resource capability is limited and insufficient. Inspection, checking and superivision is not regular and sufficient, particularly for the Party's committees.

Fourth, fragmented and loose management of organizational affairs and permanent staff allocation within the political system. There has been no single agency held responsible for organizational affairs and permanent staff allocation of the whole political system. In 2014, the Politbureau was delegeted by the Central Committee to be responsible of the permanent staff allocation management. However, there are four agencies involved in this matter without overall coordination and control. These include the Central Commission of Organization and Personnel, the National Assembly's Committee on Delegates' Affairs and the State President's Office. As a result, many personnel related decisions made by various agencies, increasing the total permanent staff number without clear accountability.

At present, the only body could make decisions on organizational affairs and permanent staff for the whole political system is the Party's committees (normally the Standing Party's Committees). However, this is a short-term solution since this creates overlap and conflicts

with the existing organizational affairs departments within many Party organizations, government agencies and mass organizations.

Fifth, weak accountability mechanism to hold the descision-makers responsible for organizational restructuring and staff reduction issues. There is no clear legal basis for strict penalization of collective violation and individual wrong-doing. The collective leadership and accountability of the heads of agencies remains unclear. The voting mechanisms (high confidence vote is needed so the voters are somehow indulged) makes many leaders tend relax the regulations to gain support from the staff -voters.

Another important cause is the "political tenure perception", which limit the leaders thinking beyind that period. The five-year political tenure seems too short for implementation of a long-term and systematic political system reform.

3.4. Recommendations

The recommendations for an effective political system reform in Vietnam are as follows: *First, strong political will from the highest level, e.g. the Central Committee, Polibureau, Secretariat and strong support by Party's committees and members at all levels is a prerequisite.* Political system reform is highly important, complex and sensitive process in Vietnam. It therefore requires a strong political will from top level, thourough research and discussion across various levels to develop a long-term plan with relevant roadmap, realistic solutions and close monitoring and quality assurance process. It is crucial to develop key management principles, delegation of authority and accountability mechanisms.

Second, conducting systematic study on pros and cons, limitation and challenges as well as relevant elements from international experience for the political system reform is fundamental. The political system reform requires a renewed thinking on political institution arrangement in the context of a single ruling Party. The shift from a centrally planning economy and the war-time political system to the socilist market-oriented economy in the context of global integration requires radical changes in political system's organizational structure and the comprehensive review and redefine the roles, functions and relationship among its sub-systems, agencies, organizations and individuals. Apparently, there will be significant inertia and resistance. It is therefore important to study thorouhly, review the current system carefully, refer the suitable models in other countries, identify principal issues and develop a comprehensive reform plan with realistic roadmap. In essence, the reform should aim to enhance the efficiency, effectiveness and transparency of the state. The Party's leadership will rest with the Party's organizations and members in the State apparatus. The Fatherland Front and mass organizations will operate on principles of selffinanced, self-managed and legally accountable with focus on protection of its members' interests, policy advocacy and monitoring of policy implementation to ensure democracy and people' rights and interests. This implies the significant staff reduction in the Party organizations, State agencies and mass organizations.

Third, building capacity and code of conducts for cadres and officials to adapt and work well with the new organizational structure is necessary. The selection, training, development and apppointment should be carried out in a comprehensive, transparent and scientific manner. The performance should be appraised on result delivery. Appraisal criteria needs to be developed clearly and monitored effectively. Political training and education, compliance with ethical standards should follow the resolutions of Central Committee's plenum 4, tenure XI and XII. The remmuneration benefits, rewards and compliments should aim to promote and merit the good performers and penalize the poor ones or the disciplinary violators.

Fourth, reviewing, drawing lessons learnt and mapping out a clear plan is critical. It is essential to review, redefine and clarify roles, functions and authorities of agencies and administrative units, legalize the power monitoring, checking and control mechanism across sub-systems and agencies in the political system and combine or merge agencies and positions that overlap or dupplicate.

The Party's leadership in cadres issues and cadres management affairs should be further specified. The Central Committee has identified the Party's committees, the Politbureau and the Standing Party's Committees are the core entities to take responsibility of the organizational and personnel affairs. The implementation of staff reduction exercise rests with the heads of agencies/units. However, this reform is difficult, complex and sensitive. Therefore, it is important to discuss openly and consult broadly with inputs from involved organizations and people. It is also necessary to develop clear job descriptiosn with competive requirements and remuneration provided for each position, particularly adequate income for challenging positions. This is most critical factor in order to reward good performers, attract, retain and develop talents whille removing incapable and spoilled people. It is critical to not to retain or rearrange the incapable people to other jobs, which makes the situation unchanged or even worse.

Fifth, carrying out broad communication, particularly in getting consensus and support of cadres and people. It is important to communite clearly on the goals, targets and processes of the reform with transparency and openess. The ultimate goals should be strengthened the political system, which is more efficient, effective and transparent. People need to understand, support and participate in the reform process. The leaders and heads of agencies should show good examples. The lesson learnt from the past experience should be taken into account to avoid the situation described as: "The organizational reform and restructuring process in a number of places takes place in ineffective manner, failing to meet the set goal. Staff reduction process has not been linked with quality improvement and restructuring the cadres, public officials and contracted staff"¹⁵. The regulations on delegation of authority in

¹⁵ Report on the Party building affairs and implementation of the Party Statute tenure XII

cadres management needs to be worked out effectively, associated with power control, anticorruption and prevention of conflicted interests.

Sixth, taking lessons learnt into account and scaling up of good models/examples. Since there is no earlier relevant experience in political system reform available, it is important to learn by doing. The new and complex issues need to be piloted, lessons learnt should be drawn and taken into account. The rules, regulations and institutional arrangements need to be reviewed and updated accordingly. It is also necessary to undertake public administration reform with technological application and build a team of professional and dedicated personnel affairs cadres.

IV. Conclusion

Political system reform in Vietnam is difficult, complex and sensitive process. Yet, this is inevitable since the political system in Vietnam is lagging behind the socio-economic development process and not accomodating changes in global, regional and domestic context. There were many attempts to reform in the past without success due to lack of strong political will, a clear agenda and realistic plan.

A prerequisite for this reform is strong political will from the highest level and support from all Party members and people. Undertaking comprehensive research and study from the relevant models in other countries, taking the lessons learnt into account and developing a clear agenda with phased roadmap are important factors for a successful reform process.

Furthermore, the political system reform should be closely linked with organizational restructuring and staff reduction process. It is necessary to renew the Party's leadership method, strengthen the state apparatus's effectiveness and efficiency as well as mass organizations more compact and self-financed.

Finally, merging the administrative units that are too small and fragmented to improve the investment effectiveness and operational efficiency is important. It is essential to merge of the Party's organizations, State agencies, Fatherland Front and mass organizations and positions.

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