Grant Harman
Martin Hayden
Pham Thanh Nghi
Editors

HIGHER EDUCATION DYNAMICS 29

Reforming Higher Education in Vietnam

Challenges and Priorities

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Reforming Higher Education in Vietnam

Challenges and Priorities

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Chapter 1
Higher Education in Vietnam: Reform, Challenges and Priorities

Grant Harman, Martin Hayden, and Pham Thanh Nghi

Introduction

According to the World Economic Forum's *Global Competitiveness Report for 2008–2009*, Vietnam is a "factor-driven economy", reliant largely for its global competitiveness on the availability of unskilled labour and natural resources.[1] In 2008, it ranked 70th for global competitiveness among 134 countries surveyed – alongside the Philippines (71st), and in the vicinity of the former Soviet satellites of Kazakhstan (66th), Romania (68th), Azerbaijan (69th), Ukraine (72nd) and Bulgaria (76th), but well behind some of its important neighbours, including Singapore (5th), Malaysia (21st), China (30th), Thailand (34th) and Indonesia (55th). Its strengths were considered to be its large market for goods and services (the population of Vietnam is now over 85 million people), the effective functioning of its labour market and its high female labour force participation rate. Its competitiveness was judged, however, to have been "eroded by weaknesses in the quality of infrastructure and institutions, as well as in higher education and training", and the economy was said to be adversely affected by "burdensome government regulation", "weak auditing and reporting standards", a "low university enrolment rate" and "the [poor] quality of its education system".[2] Interestingly, despite sustained high levels of economic growth over recent years, its global competitiveness index did not seem to be improving.

This sober assessment of Vietnam's global competitiveness forms a backdrop to the subject matter of this book, that is, the state of Vietnam's higher education system within the context of major structural and policy reform. The book provides a comprehensive and scholarly review of various dimensions of the higher education

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[1] World Economic Forum. The Global Competitiveness Report 2008–2009. Geneva: World Economic Forum, 2008.

[2] Ibid. p. 29

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system in Vietnam, including its recent history, its structure and governance, its teaching and learning culture, its research and research commercialisation environment, its socio-economic impact, its strategic planning processes, its progress with quality accreditation and its experience of internationalisation and privatisation. It also explains and analyses Vietnam's Higher Education Reform Agenda (HERA), a plan approved by the Government of Vietnam in 2005 for the comprehensive reform of the higher education system by 2020.[3]

For the past two decades, higher education reform has been high on the policy agendas of Southeast Asian nations. In response to globalisation, new trade arrangements and developments in information technology, a number of countries have embarked on major reforms with the aim of developing modern higher education systems that can support economic and social development and facilitate enhanced international trade and communications. In many cases, the key themes of the reforms are identical: marketisation, privatisation, changes in governance, enhanced student access, modern curricula and strong emphasis on science and technology. Like China, Vietnam has moved from a Soviet model of higher education towards a western-styled system. Both countries have restructured higher education in an attempt to provide for much larger student enrolments and greater student diversity, new curricula and teaching methods and an enhanced role for university research with stronger links to business and industry. In pursuing reform, countries like China, Malaysia and Thailand have made more impressive progress than some others towards achieving strong modern higher education systems with significant commitments in research and innovation.

The idea for the book developed as the editors became increasingly aware of the existence of a rapidly expanding volume of detailed information and research studies related to Vietnam's higher education and innovation systems, as well as to various aspects of Vietnam's social and economic development. Some of these studies included work commissioned or carried out by international aid agencies or by consultants working on development projects funded by donor agencies. Particularly important were studies commissioned to help develop strategies for implementating HERA. Other research had been completed by independent international scholars and by both Vietnamese and foreign PhD students. Much of this work, however, had unfortunately remained out of the easy reach of scholars and the wider public.

As editors we saw the opportunity to increase access to the body of scholarship that exists by inviting colleagues who have recently completed project work and research studies to develop chapters suitable for an edited volume of papers in the form of this book. Given that to date there has been very little published scholarship about the higher education system in Vietnam, the book sought also to address a need for key details of the higher education system to become better known within Vietnam itself and internationally. One notable feature of the book is that contributors include both Vietnamese and foreign scholars. As a result, we hope that the volume presents both local and international perspectives on various aspects of Vietnam's higher education system.

[3]Resolution no. 14/2005/NQ-CP, dated 2 November 2005.

This first chapter provides an overview of issues addressed in the book. It begins with a brief review of HERA. It then documents some significant challenges identified in individual chapters of the book. It concludes with a discussion of strategic priorities for the development of the higher education system.

The Reform Agenda

The scale of the reforms proposed by HERA is huge. The main elements are as follows:

- a sizable expansion of enrolments in higher education, the effect of which will be to increase the gross enrolment rate[4] by 2020 to about 45 per cent (three times its present level);
- the development of an enrolment profile by 2020 whereby 20 per cent of students attend selective research-oriented institutions, while the rest attend institutions providing professionally oriented training programmes (at present, this distinction exists only in a de facto way);
- a significant increase in the number of qualified higher education staff, sufficient to ensure a staff/student ratio of 1:20 by 2020 (the ratio is currently about 1:30), with at least 35 per cent of academic staff having a doctoral qualification (up from 15 per cent at present);
- the private sector to be greatly expanded, with enrolments at "non-public" universities and colleges to account for 40 per cent of all higher education enrolments by 2020 (up from about 13 per cent at present);
- the development of an advanced research and development culture, with research and development activities to account for 25 per cent of the higher education system's revenue by 2020 (currently it accounts for less than 2 per cent);
- the comprehensive reform of governance and management arrangements, with line-ministry control of public higher education institutions to be replaced by a system of governance within which these institutions have legal autonomy and greater rights in relation to their training programmes, research agendas, human resource management practices and budget plans;
- the renewal, restructuring and internationalisation of the higher education curriculum; and
- the development of a more internationally integrated higher education system, involving more international commitments and agreements, improvements in the teaching and learning of foreign languages (especially English), and the development of conditions favourable to increased foreign investment in the higher education system.

[4] The gross enrolment rate is the number of students enrolled in higher education as a proportion of the relevant age group in the population.

The impact of these reforms will be enormous. Trebling the gross enrolment rate by 2020, for example, will have major implications both for the size of the system, which will have 4.5 million students by 2020 and as many as 900 higher education institutions,[5] and for its social composition, which will become more broadly representative of the social, ethnic and regional variations in the population.

The reforms build on a previous suite of reforms, approved by the government in 1993. That reform package saw the establishment for the first time of a small group of large, multi-disciplinary universities (these subsequently became the 14 "key" universities in the public higher education system), the granting of approval for the existence of non-public higher education institutions (these institutions have multiplied and now comprise a non-public sector that accounts for almost 13 per cent of all higher education enrolments) and the introduction of student tuition fees to require students to contribute partially (in the case of the public sector) or fully (in the case of the non-public sector) to the cost of their higher education studies.

The HERA reforms will greatly extend the role and importance of market mechanisms in determining the profile and availability of higher education services. Prior to 1993, non-market regulatory mechanisms prevailed, with training programmes tailored to meet the specific labour force needs of particular ministries, and with access to these programmes granted as something of a privilege by the state. Following the reforms approved in 1993, course offerings became more responsive to market-based pressures, mainly through the operation of the non-public sector, and a user-pays principle became more widely influential as a means of determining access, though within strict limits because tuition fee levels consistently remained capped by the state. The reforms approved in 2005 will greatly increase the role of the market. Requiring non-public universities and colleges to enrol as many as 40 per cent of all higher education students by 2020, for example, will result in a significant transfer to individual consumers of the costs of higher education;[6] while requiring the sector as a whole to generate at least 25 per cent of its total revenue from the sale of scientific and technical products and services, and requiring higher education institutions to diversify their income sources by contracting out training and research activities and by engaging in technology transfer and similar related business activities, will make the whole system far more market responsive and much more entrepreneurial.

It is often thought to be contradictory that market forces should be so boldly sanctioned by Vietnam, a state that remains strongly committed at a political level to principles of Marxism-Leninism. In this regard, Vietnam, like China, is forging its own path in the development and application of a "socialist-oriented market mechanism".[7]

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[5] In 2007–2008, 368 higher education institutions provided for over 1.5 million students in Vietnam. Forward estimates of the size of the system by 2020 are provided in the official HERA documentation. More recent official statements have suggested that there may be a need for only 600 higher education institutions by 2020, of which about 38 per cent will be universities.

[6] Non-public higher education institutions receive no direct financial support from the government, and students attend them on a full-fee paying basis.

[7] Resolution no. 14/2005/NQ-CP, dated 2 November 2005, p. 2.

Challenges

The authors of individual chapters in this book have tended to perceive an appreciable gap between official aspirations and realistic expectations for higher education in Vietnam by 2020. While not underestimating Vietnam's capacity for resourcefulness and determination, the challenges to be addressed appear to be immense. Each of the chapters in the book provides a particular window on these challenges. Chapters 2, 3 and 4 provide, in addition, more general insights about the system.

In Chapter 2, Martin Hayden and Lam Quang Thiep provide an introduction to the higher education system, having regard both to its recent history and to plans for its future. This chapter highlights the extent of the difficulties involved in trying to develop an internationally competitive higher education system against a background of low per capita national income and a continuing legacy of centralised planning.

In Chapter 3, Elizabeth St. George considers the relevance of the concept of transition to an understanding of how the system came to be as it is. In doing so, she examines issues that were the substance of important debate during the period from 1986 to 1998 when parameters for the current system were being set. These issues included the direction of higher education policy, the place of the market, the shape of the curriculum, and the division of authority between universities and the state. Interestingly, she identifies 1998, the year in which a new education law was approved by the National Assembly, as marking the beginning of a post-communist framework for the system.

In Chapter 4, Pham Thanh Nghi addresses various of the reform measures proposed in HERA, the official blueprint for the development of the system up to 2020. He advances a view that, in an age of globalisation, and especially now that Vietnam is a member of the World Trade Organization, the overriding challenge for Vietnam's higher education system must be to improve the international competitiveness of its professional labour force. In his view, weaknesses in the higher education system mean that this challenge is not being addressed, which then undermines the nation's capacity to achieve rapid global integration.

Financial Affordability

One of the most significant challenges facing higher education in Vietnam concerns the financial affordability of plans for its reform and future growth. This challenge is referred to in various chapters in this book, but especially in Chapters 2 and 4

In Chapter 2, Martin Hayden and Lam Quang Thiep question the affordability of provisions in HERA concerning the rapid expansion of the system, at the same time as improvements are expected in the staff/student ratio and in the proportion of academic staff with doctoral qualifications. They note that Vietnam's rate of expenditure on its higher education system has tended to lag behind comparable rates of expenditure by other countries in the region; and they express concern that there is no evidence to date that a workable strategy has been developed to finance either the growth of the system or proposed improvements in its quality.

In Chapter 4, Pham Thanh Nghi, in appraising HERA, addresses particularly the depleted state of the existing staffing profile. He draws attention to the fact that during the past 20 years the number of higher education students has increased almost tenfold, while the number of teaching staff has managed only to double. He questions where the additional funds will come from to pay for proposed improvements, having regard especially to the fact that the National Assembly has on several occasions resisted proposals to raise student tuition fees or to seek more contributions from students or their parents.[8] He points out that, in order to comply with growth expectations by 2020, the system will need more than 100,000 additional staff holding a master's degree and 60,000 additional staff holding a doctorate – an objective that, given the existing levels of expenditure, he regards as being unachievable.

Teaching and Learning

In Chapter 5, Kay Harman and Nguyen Thi Ngoc Bich refer to challenges relating to the teaching and learning environment. They note, for example, the adverse impact on quality of the lack of formal preparation of academic staff for their role as teachers, the poor academic qualifications of many academic staff, the relatively low salary levels of most academics, the absence of many incentives to encourage improvements in teaching, the constraining impact of rigid curriculum requirements, the general shortage of learning materials and the lack of a sense of local control over the curriculum and over textbook selection. They conclude that enhancing quality and building research capacity in teaching and learning in Vietnam will require a commitment to upgrade lecturer qualifications, raise academic salary levels, reduce teaching loads, encourage lecturers to inform their teaching through research and provide training programmes on university teaching. They also note a need for the curriculum to focus more on assisting young people to develop skills required in an information-based global setting, including skills in critical thinking, problem solving and learning how to learn.

Research and Research Commercialisation

In Chapter 6, Grant Harman and Le Thi Bich Ngoc observe that HERA's targets for improving the research and development environment in Vietnam's universities are ambitious in light of the fact that, except for particular universities, notably the two national universities (in Hanoi and in Ho Chi Minh City) and three of the larger universities in regional areas (Hue, Da Nang and Can Tho), there is not much research taking place in Vietnam's universities. They report that state funding for research and development lags well behind benchmark levels set by other countries

[8] A contributing factor here is the extent to which National Assembly members do not have sufficient information or explanation to assist them in their decision making.

in the region, and that university-based research is severely hampered by infrastructure limitations, the lack of adequate time for research (because of high teaching loads and high student numbers), the lack of appropriate working conditions (with many academics not even having their own offices or places to conduct research) and the widespread absence of any institution-based systems of financial support for research. The absence of a well-developed research culture across the nation's universities is a significant challenge for the attainment of HERA's reform ambitions, as well as for Vietnam's aspiration to achieve industrialised country status by 2020.

In Chapter 7, Marea Fatseas focuses specifically on research commercialisation. She examines the impact to date of government policies on investment in science and technology, technology transfer and the encouragement of increased cooperation between industry, universities and other research organisations. Many impediments to the success of these policies are reported, including the comparatively recent development of a market economy in Vietnam, the apparent reluctance of enterprises to turn to universities for assistance with innovation, the unwieldy management practices of a majority of state-owned enterprises and the general lack of modern business management skills. She notes also a tendency for universities not to understand intellectual property issues and to be distrustful of industry in relation to this topic. There is also a problem arising from the fact that many academic staff have little experience with ways of commercialising scientific knowledge.

In Chapter 8, Robert Spoo and Dao Anh Tuan address issues relating to intellectual property. They identify four significant areas of challenge. The first is simply the need to develop among academic staff and students a greater understanding of the economic and the moral intellectual property rights that may be created by academic research. The second is the need to expand the extent of teaching about intellectual property, both in the general university curriculum and in pre-professional programmes. The third is the need to clarify precisely who owns the economic rights in intellectual property produced within Vietnamese universities. The fourth is the need for higher education institutions to develop expertise in commercialising intellectual property by means of technology licensing offices or similar means.

Governance, Strategic Planning and Management

In Chapter 9, Khanh Van Dao and Martin Hayden discuss challenges relating to the system's governance and management. HERA contained significant reform measures regarding governance and management of the system, including that higher education institutions should be given legal autonomy, that line-ministry control of public higher education institutions should be eliminated and that the role of the state in the management of the higher education system should be redefined. These measures reflect an official commitment to making higher education institutions more responsible for their own sustainability. The fact is, though, that neither the

government nor the higher education community has much experience with institutional autonomy. In addition, the system is lagging appreciably in terms of the extent to which an appropriate infrastructure for institutional self-governance exists. There are also unresolved questions about the lines of accountability between rectors and governing boards and about the formal role of the party in relation to institutional self-governance. The challenges that lie ahead in relation to the governance and management of higher education institutions in Vietnam are significant.

In Chapter 10, Larry Smith and Nguyen Quang Dong explore challenges concerning strategic planning for the system. It is evident from their account that there are many aspects of HERA as a strategic planning document that are deficient. They report that HERA lacks a clear vision for how the system will be positioned in the future, that it involves a large number of overly ambitious objectives, that it provides little detail on how the objectives will be implemented or resourced and that it makes no provision for the existence of a strong mechanism for providing timely and constructive feedback on performance. They argue strongly that the government, through HERA, is at risk of trying to do too much too quickly, without the benefit of a robust strategic planning process.

In Chapter 11, Ta Thai Anh and Richard Winter report on the experiences of senior academic managers at two public universities in Hanoi. The experiences of these senior managers (rectors, vice rectors, deans) provide interesting insights about change-management processes and prospects in the system. Given the tendency in Vietnamese culture for unequal power distributions in organisations to be accentuated, it is evident that senior academic managers will be critical to the reform of the system. Their vision for an institution will drive it in particular directions. It is evident also that their concerns are becoming more like those of their counterparts in the West, including the need to secure more income, contain costs, encourage innovation and distinctiveness and achieve national and international institutional recognition for their institutions.

Equity

In Chapter 12, Kiri Evans and Adam Rorris address specifically issues relating to equity in access to higher education. Improving its accessibility to the poor, a group comprising more than 30 per cent of the population and including disproportionately people from rural, upland and minority ethnic group backgrounds, is an especially difficult challenge. Critical areas of need are identified as including more educational institutions, more qualified teachers in schools (especially teachers from ethnic minority backgrounds) and more and better-quality teaching staff in universities. Of note is their observation that a national policy of decentralising financial autonomy to provincial and institutional levels may be counterproductive in equity terms: provincial governments in poorer regions of the country become less well able to support schools, colleges and universities in their regions, and the

institutions themselves are more likely to be forced to charge for the provision of additional educational services.[9]

Quality Accreditation

In Chapter 13, Don Westerheijden, Leon Cremonini and Roelien van Empel report on efforts to implement quality accreditation on a pilot basis across a selected group of universities. While their focus is on a particular project, contextual details are of note. There has clearly been no lack of official commitment to quality accreditation in higher education: quality assurance centres were established in 2000 at the two national universities; a commitment was made in 2001 to establish a national accreditation system by 2005; a new office was established within MOET in 2002 for the purposes of addressing quality accreditation; a list of quality standards for higher education institutions was issued late in 2004; and the government, through HERA, made a further commitment in 2005 to establish a quality assurance and control mechanism for the system. In 2005 and 2006, a total of 20 higher education institutions were funded to participate in a self-evaluation process related to quality standards. At the same time, however, there has been limited progress: the new office established within MOET in 2002 was inadequately resourced for the tasks assigned to it; an independent quality accreditation agency has not yet been established; and there is not yet any clear national set of quality-based standards for higher education institutions.

Internationalisation

In Chapter 14, Anthony Welch reports on the extent to which higher education in Vietnam has been affected by influences from abroad. The long-term influence of China is especially noted, and so too are more recent influences from France, the Soviet Union and, generally, the West. He notes particular ways in which the system is currently connected with an international setting. These include the extent of the outflow of Vietnamese students to study at foreign universities, the growing presence of foreign universities in Vietnam, the inflow of funds and expertise from members of the Vietnamese diaspora in the West, the growth of foreign investment in universities in Vietnam and Vietnam's increasing commitment to international alliances. The only adverse international influence identified is a long-standing brain

[9] It should be noted here that tuition fees are generally standard across the system, which means they are the same for students from well-off and from less well-off backgrounds. There are also other complexities that restrict equity – for example, universities of agriculture and of forestry are generally required to reserve around 30–40 per cent of their income for waiving tuition fees.

drain to other countries from Vietnam. He sees the future of higher education in Vietnam as including more foreign ventures and partnerships.

Privatisation

In Chapter 15, Martin Hayden and Khanh Van Dao assess the significance of the emergence of a non-public sector. The rate of growth of this sector during the 1990s was remarkable. Since then, its growth rate has been more closely tied to the rate of growth of the public sector. HERA proposed that the sector should account for 40 per cent of all higher education enrolments by 2020 (it currently accounts for 13 per cent), which will require a very rapid expansion of the sector during the next decade. Incentives for this expansion are not yet evident, though it does appear increasingly that the profit motive will, within certain limits, become a driving force. At present, though, non-public higher education institutions generally have little room to move within strict controls, and they remain inferior in status.

Priorities

What, then, should be Vietnam's priorities? In HERA, there is a clear statement of intent that by 2020 the higher education system should be "advanced by international standards, highly competitive, and appropriate to the socialist-oriented market mechanism".[10] HERA does not expand on this statement, however, and so questions regarding the meaning of terms such as "advanced by international standards", "highly competitive" and "socialist-oriented market mechanism" remain open to interpretation. There can be little doubt, though, that Vietnam is seeking to have a higher education system that, in addition to contributing to the cultural depth of its society, will contribute solidly to future national economic well-being by providing a highly skilled workforce capable of responding to new opportunities in the global economy. HERA anticipates that this outcome is more likely to be achieved if by 2020 the higher education system is three times larger than at present, better managed and better integrated, more flexible in providing opportunities for course transfer, more equitable, more financially self-reliant, more research-oriented, more focused on the commercialisation of research and training opportunities, more attuned to international benchmarks of quality and more open to international engagement.

These aspirations for the system also underpin a much more systematic reform agenda developed in a recent World Bank publication, entitled *Vietnam: Higher Education and Skills for Growth* (The World Bank, 2008). This agenda is constructed within a framework of *outcomes*, *outputs*, *inputs and processes* for the higher education system. Outcomes include that the system should be a driver of

[10] Ibid.

research and development, a provider of higher level skills and a provider of opportunities for all talented students. Outputs include that there should be a variety of degree types and of fields of education, diverse instructional methods, a mix of public and private providers, "tiered" systems with elite institutions and multiple forms of university–industry collaboration. Inputs and processes include a governance and financing framework conducive to the desired outputs.

Within this framework, an action plan for reform in three stages is proposed. The stages are as follows:

- *laying the foundations of a competitive higher education system*: consolidating the accountability and quality assurance framework; removing remaining restrictions on and regulatory opaqueness relating to the development of a competitive market situation for higher education services; and allocating public funds more strategically;
- *improving the framework for higher relevance of academic decisions*: transferring more decision-making autonomy to higher education institutions within a clear distribution of roles among different actors; further developing the framework for university–industry linkages; and improving information on education sector and labour market outcomes and requirements; and
- *building a first-class higher education system*: identifying and supporting centres of excellence; developing an autonomous higher education system that is accountable to the state and to students; realigning the financing framework for higher education by making it more performance-based and equity-based in its operation; ensuring a higher diversification of funding sources; and making academic decision making more relevant to private sector and labour market concerns.

This action plan is impressive in many respects. It recognises the need for a staged sequence of reforms to the higher education system – a need largely ignored by HERA. Its breadth of vision for the higher education is wide in scope and consistent with international benchmarks. It identifies the need to consolidate an accountability and quality assurance framework for the system as being one of the first priorities for reform. At the same time, the action plan is, however, strongly oriented to an advanced market model for higher education – a feature of the plan that is more evident when some of its details are considered, including a proposal to abandon institutional quotas and to examine the possible removal of caps on tuition fees. Even if Vietnam were to prefer an advanced market model for higher education, it is difficult to see how this model could possibly be fully implemented by 2020 without there being extensive dislocation to the provision of higher education services. More importantly, perhaps, it is difficult to see how the model could be adopted without there also being foundational reform concerning the role of the party and the state in relation to higher education, and without there also being a protracted period of renegotiation of the complex system of shared responsibilities for higher education that has developed over time between the national, provincial/city, district/town and local community levels of government.

Our own approach is one of suggesting a more limited number of priorities for attention. The first of these concerns *funding*. HERA does not make clear how its intended reform measures will be funded. Loan funds from the World Bank, together with funds provided by international aid donors, may assist in achieving some reform measures, but it is inconceivable that these funds would ever be sufficient to raise the quality of the system to a level where by 2020 it was "advanced by international standards". Additional funds, presumably from an increased national investment in higher education, will be required. The issue of funding is, therefore, a matter of the highest priority.

This priority may be difficult to address because it will inevitably require some significant shifts in the funding priorities of the state. The World Bank has estimated that total higher education expenditure as a proportion of GDP may need to be doubled in order to simply reach the enrolment targets set by HERA for 2020 (The World Bank, 2008: 96). Within this context, it has been suggested that higher education institutions might, in future, "tap harder for private resources through cost recovery, revenue generating programs targeting employees of public and private enterprises, fostering stronger ties with the private sector to become the preferred provider of research and development services, and soliciting charitable giving from the alumni and foundations" (The World Bank, 2008: 96). The fact is, though, that with so many more higher education institutions likely to exist by 2020, and with a far higher proportion of them than at present being non-public, and therefore ineligible for any financial support for the state, tapping harder by individual institutions may not be anywhere near enough to keep them all going, especially as higher standards of service provision have also been mandated by HERA. It seems inevitable, therefore, that a very large increase in public expenditure on higher education will be required if HERA's reform measures are to be achieved by 2020.

The second priority concerns *quality standards*. The need for universities in Vietnam to be required to comply with a set of quality accreditation standards that are closely aligned with international standards of quality is compelling. As Don Westerheijden and colleagues note in Chapter 13, Vietnam cannot afford to be immune from striving to ensure international recognition of the academic qualifications awarded by its universities, and thus it cannot afford to ignore the need for a rigorous system of quality accreditation for its university system. This theme is also an element in Pham Thanh Nghi's argument in Chapter 4 that the success of the higher education system in Vietnam must be judged in large part by the extent to which it is effective in improving the international competitiveness of the nation's professional labour force.

The introduction of a quality accreditation system for Vietnam's public and private higher education institutions should be introduced progressively. Vietnam's "key" public universities, together with a number of proposed new "international" universities, might be the first institutions to be required to achieve accreditation. If the accreditation system is to be effective, then it must also be unyielding in terms of its expectations. It follows that a good deal of additional expenditure, and a great deal of further reform, will be required in areas of teaching and learning, research and research commercialisation, governance, strategic planning and management,

and equity, before any existing institutions are granted accreditation. A progressive approach to quality accreditation will inevitably mean that, for as long as it takes for all higher education institutions to become accredited, there will be tiers of institutions, that is, those that meet quality standards and those that have yet to meet them. This situation seems unavoidable.

In addressing quality accreditation, there will also be a critical need to address the *governance* of the system. Without a concerted effort to embed appropriate levels of autonomy in the system and to require strict adherence to transparency and accountability in decision making about academic standards and the use of financial resources, there is a risk that increases in funding and the establishment of what appears to be a coherent quality accreditation system will not have the desired effects on the higher education system.

The challenge of raising standards across the higher education system in Vietnam cannot be left to wait until sufficient funds have been found to ensure that all higher education institutions can be accredited against rigorous quality standards. Incremental reform of the system must continue. In this regard, the reform measures listed in HERA are valuable in that they indicate to the system at large the direction of change during the period up to 2020. The reform measures in HERA need to be more fully explained, though, and strategies for their attainment need to be developed. This book will hopefully contribute to the process of identifying suitable strategies by providing an understanding of the context for their development and by discussing specific aspects of the system within an international perspective.

Reference

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Chapter 2
Vietnam's Higher Education System

Martin Hayden and Lam Quang Thiep

Introduction

Vietnam is one of the fastest-growing economies in the world, with recent annual growth rates in real GDP of over 7 per cent. It is becoming better integrated with the global economy, and it has had remarkable success during the past two decades in reducing the incidence of poverty, attempting to stabilise price inflation and generating significant levels of export income. It remains, however, a poor country by international standards, with a per capita income level in 2006 of only US $723.[1] It is also a country that relies heavily on intensive agriculture to support its large (85 million) population and that, as indicated by recent developments, continues to be susceptible to food shortages and inflationary pressures (Hughes, 2008; Wood, 2008).

A policy of *doi moi* (economic renovation), introduced following the historic decision in 1986 of the Communist Party of Vietnam to replace central planning in the Soviet tradition with a regulated market economy, has been largely responsible for Vietnam's recent economic success. Under this policy, widespread privatisation of public property, especially in the rural and manufacturing sectors, was sanctioned, and regulatory controls on prices and foreign investment were significantly eased. Over recent years, the focus of the policy has been on Vietnam's integration with the global economy. In this regard, the country's accession to the World Trade Organization (WTO) early in 2007 was a significant step.

The national economic reform agenda provides an important backdrop to changes that have taken place in the higher education system. The government first turned its attention to reform of the system in the early 1990s. Since then, the system has grown significantly, and the Soviet model of higher education upon which the system was founded in the late 1950s has largely been abandoned.

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[1] See http://www.dfat.gov.au/geo/vietnam/vietnam_brief.html, retrieved on 1 February 2008. The PPP value is closer to US $2,600.

G. Harman et al. (eds.), *Reforming Higher Education in Vietnam*, Higher Education Dynamics 29, DOI 10.1007/978-90-481-3694-0_2,

This chapter presents an overview of the current state of the higher education system in Vietnam. It takes into account both the system's recent history and the state's plans for the future of the system. The chapter highlights the immense challenges involved in trying to develop an internationally competitive higher education system against the background of low per capita national income and a continuing legacy of centralised planning.

Recent History

The system underwent significant reform in 1993 as a consequence of landmark commitments made by Vietnam's Communist Party Central Committee about the importance of education in the social and economic development of Vietnam, and to the need for the higher education system to be reformed and expanded (Pham and Sloper, 1995: 164). The effects were immediate. The government moved to establish a unified national system of large, comprehensive, research-oriented universities, meaning, in effect, that the Soviet model of small, specialised colleges and institutes was officially abandoned. The government also allowed public higher education institutions to levy tuition fees, within strict limits, thereby introducing an element of market demand to the provision of higher education. Even more significantly, it introduced two new sectors of higher education, a 'semi-public' sector, comprised of state-owned institutions funded entirely from tuition-fee income, and a 'non-public' sector, comprised of community-owned institutions, also funded entirely from tuition-fee income. Acceptance of the need for a non-public sector meant that for the first time private ownership, even if in a highly contained form, became officially sanctioned within the higher education system.[2]

Since 1993, the system has expanded at a dramatic rate. In 1992–1993, there were 162,000 higher education students in Vietnam, representing a gross enrolment rate of about 2 per cent.[3] By 2006–2007, the number of students had increased to 1.54 million, representing a gross enrolment rate of 13 per cent.[4] The system has also become much more diverse. In 1992–1993, there were 103 higher education institutions, nearly all of which were small, specialised and teaching-only in focus. Nine of these institutions were classified as universities, the largest of which

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[2] These institutions were 'people-founded', in the sense of having been founded by a community group or a professional association. They were 'non-public', as opposed to being 'private', for ideological reasons as well as for the reason that they were 'not-for profit'. This aspect of the non-public sector is rapidly changing, with the distinction between being 'for-profit' and 'not-for-profit' becoming increasingly blurred.

[3] Gross enrolment rate is defined here as the number of students enrolled in higher education as a proportion of the relevant age group in the population.

[4] See The World Bank (2008: 14–15), for a brief account of changes in the gross enrolment rate in higher education in Vietnam. This rate must, however, be seen in broader perspective. It falls well below the OECD average, which is now over 50 per cent, and it is lower than the rate in China, which is currently 20 per cent and rising rapidly.

had an enrolment of only a little over 3,000 students.[5] There was one non-public higher education institution. By 2006–2007, there were 322 higher education institutions, of which 139 were universities, and there were 47 non-public universities and colleges.[6] Six of the public universities had enrolments well in excess of 40,000 students, and the average enrolment size of universities was 8,500 students.

In 1998, the government decreed that higher education programmes could only be undertaken at a designated university or college.[7] This decision placed a boundary around what could be officially described as higher education in Vietnam. The government also drew a distinction between degree-granting institutions (universities) and institutions that were restricted to awarding associate degrees (colleges).[8] This decision gave universities and colleges a separate status. All universities and research institutes were given permission, subject to state approval on the basis of satisfying certain criteria, to award degrees at master's and doctoral levels. This change represented another major departure from the Soviet model of the earlier era, in which research training belonged largely to specialist research institutes.

In 2000, a further distinction was drawn between universities, which were expected to provide opportunities for study across a wide range of disciplines and to develop a research capability, and colleges, which were expected to provide opportunities for study within a single field of study and not to have a research role.[9] This classification was extended in 2001 by the addition of community (junior) colleges as a specific type of higher education institution, one that provided vocational training programmes, as well as programmes articulated with courses offered by universities and senior colleges.[10]

In 2004, a select group of 14 universities was identified as comprising the 'key' higher education institutions in Vietnam.[11] The group included all five universities designated in 1993 as forming the core of a renovated higher education system, and nine other large universities, several of which had formerly been amalgamated with one or other of the two national universities.[12]

In 2005, the Cabinet resolved that, in future, higher education institutions in Vietnam would be either public or non-public. This resolution meant that semi-public institutions (which in 2002–2003 accounted for 3 per cent of all higher education students) would cease to exist, either by becoming fully public or by becoming non-public.[13] The Cabinet also resolved that approximately 40 per cent

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[5] Many, in fact, had enrolments of only 300 or 400 students (Sloper and Le, 1995: 92–94).

[6] See http://www.moet.gov.vn/?page=11.10&view=9266 for details.

[7] Decree no. 90/CP, dated 2 December 1998.

[8] But note that universities continued to be able to award associate degree qualifications.

[9] Decree no. 43/2000/ND-CP, dated 30 August 2000.

[10] Decision 47/2001.

[11] Decision 1269/CP-KG, dated 6 September 2004.

[12] In 1993, the two national universities designated by the government were the Vietnam National University of Hanoi and the Vietnam National University of Ho Chi Minh City.

[13] Resolution no. 05/2005/NQ-CP, dated 18 April 2005.

of all higher education enrolments should be in the non-public sector by 2010 – a marked increase from the level of only 13 per cent in 2003–2004.[14] It introduced a new classification scheme for non-public higher education institutions, that is, they were to be classified either as 'for-profit' or as 'not-for-profit', and it committed the state to the growth of 'not-for-profit' non-public higher education institutions through the provision of generous tax exemptions and land grants. The Cabinet also told public higher education institutions to adopt a more client-centred and less bureaucratic approach to service delivery.

Late in 2005, even more significant reform measures were adopted. Within the framework of a Higher Education Reform Agenda (HERA),[15] the government announced a package of measures that included the following:

- a significant expansion of the higher education system, providing for 45 per cent of the relevant age group by 2020 (up from 13 per cent in 2006–2007);
- a significant increase in the number of qualified higher education staff, sufficient to ensure a staff/student ratio of 1:20 by 2020 (currently about 1:30), with at least 35 per cent of academic staff having doctoral qualifications (up from 15 per cent at present);
- the establishment of two types of higher education institutions, one to be research-oriented (accounting for 20 per cent of all enrolments) and the other to be more vocationally applied;[16]
- a significant expansion of the non-public sector, to account for 40 per cent of all higher education enrolments by 2020 (up from about 13 per cent at present); and
- the development of an advanced research and development culture, with research and development activities to account for 25 per cent of the system's income by 2020 (currently it accounts for about 1 per cent).

Questions have been raised about the viability of many of the measures adopted in HERA (Hayden and Lam, 2006). The costs alone in expanding the system so rapidly, while at the same time ensuring a sufficient number of qualified academic staff, are likely to be extremely challenging for the Vietnamese economy.

Governance

In Vietnam, the state is the source of all official authority in relation to higher education, even for the non-public sector.[17] This authority is exercised through various ministries, some of which have responsibilities across the system, and

[14] The target date was subsequently changed from 2010 to 2012 and has more recently been changed to 2020.

[15] Resolution no. 14/2005/NQ-CP, dated 2 November 2005.

[16] In effect, as many as 80 per cent of all higher education students will be undertaking vocational education courses, which may not involve the award of a bachelor's degree.

[17] Article 14, Education Law, National Assembly, Law no. 38/2005/QH11, 14 June 2005.

some of which have line-management responsibilities for individual universities and colleges.

Three ministries with responsibilities across the system are the Ministry of Education and Training (MOET), the Ministry of Finance and the Ministry of Planning and Investment. Working within the Office of Government (attached to the Prime Minister's Department), these ministries advise the government about national policy formulation, national target setting and sectoral financing for higher education. Decisions are then made about the intended growth of the system, the appropriate balance of capital and recurrent expenditure, the extent of application of a user-pays principle and the levels of integration required between the higher education sector and other sectors of the economy.

MOET has, in addition, an important system-wide responsibility for the allocation of enrolment quotas. These quotas determine whether or not a university or college can accept additional enrolments in regular, full-time programmes of study. Quotas apply both to the overall student load of an institution and to student load within individual programmes of study. They apply across both the public and the non-public sectors. They affect the rate of growth possible for all higher education institutions and particularly the allocation of block grants and scholarship support to institutions in the public sector.

Another important system-wide responsibility of MOET is to approve curriculum frameworks for all programmes of study across the higher education system. These frameworks prescribe for each specialised study area (referred to as a training programme) the necessary objectives, the minimum knowledge requirements, the structural curriculum components and the necessary allocations of time to theory, practice and internship experience.

Thirteen ministries have line-management responsibilities for public higher education institutions.[18] Except for the two national universities, which report directly to the Cabinet, all public higher education institutions in Vietnam must report to the state through a ministry, or through one or other of the provincial governments. During the Soviet period of influence, individual ministries and provincial governments established their own colleges and institutes to meet their specific needs for trained labour. These institutions were arms of the state bureaucracy, with the relevant ministry or provincial government providing the funds and management necessary to their survival. During the early 1990s an attempt was made to bring these institutions under the control of MOET, but the initiative was only partially successful. MOET currently has direct responsibility for the management of over 50 universities and colleges, including all of the 'key' universities. Other ministries have smaller numbers of higher education institutions reporting to them. The Ministry of Culture and Information, for example, manages nine universities. In general, ministries with line-management responsibilities exercise tight control over the institutions for which they are responsible.

[18] As noted later, HERA has proposed that the system of line-management by ministries should be abandoned, but this transition had not occurred by mid-2008.

The two national universities, the Vietnam National University in Hanoi and the Vietnam National University in Ho Chi Minh City, operate under charters given directly to them by the government. These universities enjoy special privileges, including that the prime minister appoints their presidents. The two universities are different also in that they have more academic and financial autonomy than any of the other public-sector institutions. They can, for example, make a great many more budgetary decisions without reference to a ministry. They can also, if they choose, depart from the MOET-approved national curriculum frameworks – though, in practice, it seems that they generally conform to these frameworks.

Non-public universities and colleges are responsible to the state through their individual governing boards. In nearly all cases,[19] these institutions are people-founded, and the members of governing boards are elected or appointed by the shareholders responsible for the establishment of the institution. Though subject to national accounting and auditing laws, the governing boards of these institutions have a high level of financial autonomy, at least in relation to expenditure decisions. Non-public institutions must, however, comply with admission quotas and curriculum frameworks given to them by MOET, and they are not able to vary tuition fees for regular full-time courses above ceiling levels set by the government.

Some far-reaching reform measures relating to governance of the system have been adopted in HERA. The government has agreed, for example, to eliminate line-ministry control of public universities and colleges and to confer legal autonomy on these institutions, giving them the right to be responsible for training, research, human resource management and budget planning. The process of implementing these measures is proving to be slow and complicated. There is a strong culture of centralism in decision-making about higher education in Vietnam. In addition, the infrastructure for the exercise of institutional autonomy is poorly developed. There will need to be a very significant level of capacity building, together with a change in how key actors view institutional self-management, in order for these reforms to be successful.

Finance

The proportion of GDP spent on education in Vietnam continues to grow. By 2006, it had reached 5.6 per cent (up from 4.22 per cent in 2002) (The World Bank, 2008: 70–71). Recent figures on the proportion of GDP spent on higher education are not available. In 2002, however, the proportion of GDP spent on higher education was only 0.41 per cent, while the average for the Southeast Asian region was closer to 1.6 per cent (The World Bank, 2008: 72). In other words, Vietnam's rate of expenditure

[19] Six semi-public higher education institutions are in the process of converting either to public or to people-founded status. It is not yet clear what their governance arrangements will be if they remain non-public institutions.

on its higher education system has lagged behind the rates for most other higher education systems in the region.

It has been estimated that as much as 40 per cent of all revenues received by higher education institutions derive from tuition fees, sales of research-related services and private grants or gifts (The World Bank, 2008: 72). Not surprisingly, in view of the fact that they receive no block funding from public sources, non-public higher education institutions depend almost entirely on tuition-fee income – it represents almost 90 per cent of their income.

Public universities and colleges, which account for over 87 per cent of all higher education enrolments, receive the bulk of their funds from the state – only about 30 per cent of their income derives from tuition fees.[20] The allocation of the funds they receive from the state is influenced by historic patterns of expenditure, admission targets and the types of training programmes being delivered. Considerations related to overall enrolment levels and to long-term development plans are not particularly influential. There is, therefore, negligible incentive within institutions to engage in long-term strategic planning.

Tuition fees are, however, an important additional source of income for public institutions. The large majority (75–80 per cent) of public-sector higher education students in Vietnam pay tuition fees. The state sets ceiling levels for these fees and exempts, fully or partially, certain categories of students (for example, war invalids, orphans and the academically gifted). Students undertaking teacher-education programmes are also fully exempted from paying tuition fees. The state regulates the ways in which public institutions may use their fee income – for example, at least 45 per cent of all tuition-fee revenue must be used for capital development purposes. The effect of these regulatory controls is to further constrain strategic planning at the institutional level.

Government scholarships are available to students attending public higher education institutions. These scholarships may be either merit-based or equity-based, and they generally cover about one-third of the costs of being a full-time student. Funds for these scholarships are allocated to individual public higher education institutions, which then distribute them to selected students, within guidelines issued by MOET.

Student loans, up to specified limits, are a supplementary source of financial assistance for students, though their availability is generally restricted to students who are already making progress with their studies. The success of the loans scheme is mixed. When initially introduced, the main problem was one of getting students to take them up. More recently, the problems encountered have included difficulties in recovering debts, the limited availability of loan funds and the failure of aspects of the administration of the scheme. From 2007 to 2008, the value of loans available for students from disadvantaged backgrounds was increased substantially, and the interest rate charged on these loans was significantly reduced. The government has agreed to the goal of creating a foundation of about US $2 billion that will enable

[20] Data derived from a MOET Survey of University Finances in 2005.

about one-third of all higher education students to receive loans for study.[21] There has, as a consequence, been a significant recent surge in demand for loan funds by orphans, children from poor households and children from families affected by accidents, natural disasters or pandemics.[22]

Public higher education institutions are being encouraged to accept more institutional responsibility for the management of their budgets. Whereas in the past grants from the state were allocated for specific purposes and for specified periods of time, public universities and colleges now generally have more freedom to decide how to spend the non-capital component of their budgets, and they are permitted to carry over unspent recurrent funds from one year to the next. The situation varies, though, according to which ministry owns and manages a university or college. MOET has generally been much more inclined to devolve budget responsibilities to its universities and colleges. A decree in 2002 provided public higher education institutions with freedom to decide independently on both their charge rates for certain services and their use of non-grant income.[23] Permission was also given for them to determine fee levels for the delivery of non-formal training programmes undertaken mainly by part-time, evening-class students. Resolution 5 in 2005 gave further freedoms in this regard.[24] Public higher education institutions may now enrol students in certain non-formal and in-service training programmes, thereby attracting additional tuition-fee income.

Generally, though, public higher education institutions remain heavily dependent upon the state in financial matters. Their enrolment quotas, which are decided annually by MOET, determine their capacity to respond to student demand for full-time places – and hence the size of their block grants and tuition-fee income. Further, they are required to work within expenditure norms set for them from year to year by their sponsoring ministries. More broadly, they are dependent upon a system of public financing of higher education that is input-based, rather than being driven in any obvious way by criteria related to the quantity and quality of outputs and outcomes.[25] The culture of financial management within public higher education institutions is, therefore, pervasively influenced by the state.

The non-public sector of higher education has more financial autonomy than the public sector, but only in relation to expenditure decisions. Non-public universities and colleges can allocate their funds more or less as they choose in support of their corporate objectives. This ability has important implications: a number of non-public universities are currently engaged in large-scale capital expansions, funded

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[21] Cabinet decisions 157/2007 and 319/2008.

[22] *Vietnam News*, 28, 5904, 29 January 2008: 1.

[23] Decision 10/2002, dated 16 January 2002.

[24] Resolution no. 05/2005/NQ-CP, dated 18 April 2005.

[25] A working party report in 2002 on the funding framework for higher education, completed for the first Higher Education Project funded by a loan from the World Bank, pointed to the need for funds to be allocated on the basis of intended outputs. It recognised the difficulty of switching rapidly to an outputs-based funding model, and proposed in the interim that there should be a focus on the funding of processes, but not inputs.

with borrowed money, intended to be repaid from future flows of tuition-fee income. In matters of income generation, however, the non-public sector is as constrained as the public sector. MOET controls the ceiling for all tuition-fee levels and it sets admission quotas. The ceiling placed on the tuition-fee levels for non-public universities and colleges is generally twice that for public institutions. In order to secure market share, non-public institutions tend to focus on the provision of training programmes in niche areas of student demand – principally in business, finance and information technology. Their general role, however, is one of providing access to higher education for students who were unable to obtain a subsidised place at a public-sector university or college.

HERA has established ambitious growth and income-generation plans for the higher education system up to 2020. Attainment of these plans will depend crucially upon the development of a workable strategy for financing both the growth of the system and improvements in its quality. It is not evident at present that there is a strategy in place in this regard. One possibility is that all public higher education institutions might become financially self-reliant, as is currently the case with the non-public sector. This option would require the establishment of a comprehensive and potentially quite expensive (in view of proposed growth rates) national system of scholarships and student loans. Another possibility is for the state to continue to subsidise public universities and colleges, leaving the non-public sector to continue to be financially self-reliant. This option risks the development side-by-side of a public sector that has neither the scope nor the incentive to respond to market demand and a non-public sector that is driven to extremes in order to secure market share. The government has recently committed to providing non-public institutions, especially 'not-for-profit' institutions, with additional support, particularly in the form of land grants. The effects of this form of subsidy remain to be seen.

Students, Staff and Curriculum

As indicated earlier, there has been a sizable increase during the past 15 years in the gross student enrolment rate in higher education. Provided resources can be found to support continued expansion, there seems little doubt that within the next few years the gross student enrolment rate will rise well above 15 per cent – the widely accepted threshold for transition from an 'elite' to a 'mass' higher education system. Even with this rate of growth, however, the demand for places in higher education continues to increase at a faster pace than their availability.

Admission as a normal full-time student to a university or college is dependent upon performance in a University Entrance Examination prepared, administered and reported by MOET. This examination may be taken in one of four areas, depending on subject specialisation and the type of university course a student wishes to enter. A student wishing to study engineering, for example, would undertake an entrance examination in the area of mathematics, physics and chemistry. A multiple-choice format is employed, thereby enabling the more rapid processing of results.

Performance on the examination determines not only whether a student will be admitted to higher education but also, taking into account preferences indicated by the student, the institution and training programme to which the student will be admitted. Only about 10 per cent of all students who sit for the examination[26] are successful in obtaining a place in a university or college. Those who are unsuccessful may have an opportunity at a later date to undertake higher education studies as an in-service student at a public higher education institution, though this generally requires part-time study in combination with employment, and generally also requires the payment of higher tuition fees if sponsorship by an employer is not available. It is difficult to establish exactly the proportion of all public higher education students who are in-service students. Survey figures from 2002 suggest that as many as one-quarter of all public-sector higher education students may be in this category (The World Bank, 2008: 51). The other avenue for proceeding to higher education studies is through enrolment in open-access courses provided by one or other of the two Open universities.

Higher education in Vietnam is overwhelmingly focused on the educational needs of undergraduate students. In 2005, only about 3 per cent of students were enrolled at postgraduate or advanced professional levels. Most of these students were attending one or other of the two national universities. Of those enrolled in undergraduate programmes, about 60 per cent were enrolled on a full-time basis, having gained admission through successful completion of the University Entrance Examination.

Details of the social composition of students in higher education in Vietnam are not well documented. Sufficient information is available, however, to suggest that certain equity groups (females, particular ethnic groups, the less socially privileged and those from particular regional areas) are not represented in higher education proportionately to their numbers in the population at large. Ethnic minorities, for example, comprise over 13 per cent of the population in Vietnam, but in 2004 they accounted for only 4 per cent of all higher education students (The World Bank, 2008: 20). Participation rates in higher education for these groups are largely the product of processes further back in primary and secondary school that result in lower-than-average school retention rates. While school retention rates for girls in Vietnam appear to be steadily improving, there is some evidence that this improvement is not occurring evenly across all income groups, all ethnic groups or all geographic areas (Nga, 2004). As the higher education system moves to an even greater reliance on user-pays, students from poorer backgrounds face further obstacles.

An equity-based scholarship scheme exists to assist students from poorer backgrounds to undertake studies at public higher education institutions. For a variety of reasons, however, including the fact that poorer families are not well placed to pay for the coaching and other assistance often required for success in the University Entrance Examination, students from poorer backgrounds, where they do obtain

[26] Approximately 1 million students sat for the exam in 2006.

access to higher education, are more likely to have to enrol in the less academically selective non-public sector. The state provides no scholarship support to students enrolled in the non-public sector,[27] and tuition fees in this sector are generally twice as high as for the public sector. Issues relating to equity of access to higher education in Vietnam are a major area of challenge for the government and the higher education system.

In 2005, there were over 70,000 members of staff employed by universities and colleges in Vietnam.[28] Almost two-thirds of these were academic staff, and about one-half of these held postgraduate qualifications, mainly at the master's level. The highest concentrations of better-qualified academic staff were at institutions in Hanoi and Ho Chi Minh City, particularly at the two national universities. Interestingly, less than 5 per cent of all academic staff appointments were at professorial level (that is, full professors or associate professors). In fact, in 2005, full professors comprised only a little over 1 per cent of all teaching staff. This is a remarkably low proportion by international standards. Related considerations are that most professors in 2005 were male, many of them were relatively old, and about one-half of them held appointments at one or other of the two national universities.[29] The scarcity of senior academic appointments across the system, possibly a consequence of the complicated and time-consuming nature of the procedures required to obtain appointment as an associate professor or a professor,[30] but possibly also a consequence of the additional cost of making these appointments, deprives the system of academic leadership. Recently, there have been calls for a clearer statement of the responsibilities of professors, an increase in their salaries and a firm commitment to the appointment of talented younger academic staff to the level of full professor.[31] There have also been calls for the state to define more clearly the role of the professoriate in Vietnam.

Many problems with the staffing of higher education institutions in Vietnam are officially recognised. The staff/student ratio, which is in the order of 1:30, is widely regarded as being too high; variations in the quality of academic staff across institutions, and especially across regions, are of great concern; there is no effective framework for decisions about career advancement, particularly for appointment at professorial level; there is no system of induction to teaching and learning for new academic staff; the facilities for academic staff in a majority of universities and colleges are inadequate, with many not having access to an office in which to work; official salaries are low, and so academic staff lack a strong financial incentive to remain committed to their role; senior academic managers have few opportunities

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[27] It should be understood here that the reason for not providing this support relates to the limited resources of the state.

[28] Figures here are based on the results of a MOET University Survey in 2005.

[29] These observations are based upon interview data.

[30] And possibly also as a consequence of some lack of trust in the quality of PhD theses accepted by some Vietnamese universities.

[31] It was reported in an edition of the Vietnam News in July 2005 that over 80 per cent of full professors are over 60 years of age.

for management training; and there are relatively few academic staff in the system with developed expertise in higher education management.[32] Some of these problems relate to the fact that, in Vietnam, the salary scales for civil servants (including academics at public universities) are unrealistically low, and so it has become customary for civil servants to seek to augment their income by accepting additional employment after hours (McCarty, 2001: 23). Unfortunately, these conditions also provide fertile ground for some corrupt practices.

A statement in 2005 by the prime minister[33] indicated that by 2010 the staff/student ratio should be 1:20; that 65 per cent of all academic staff should have master's or doctoral degrees; that there should be a far greater emphasis on the cultivation of innovative teaching methods in higher education institutions; that academic staff should receive training in pedagogical skills; and that ways of verifying the quality of curriculum and teaching should be developed. A strong emphasis was placed on the importance of academic staff having more time to undertake scientific research. What was not made clear, though, is how it was intended to implement these goals. More pointedly, it was not made clear how implementation of them was going to be funded.

The system of establishing curriculum frameworks for all training programmes (a training programme is the equivalent of a major area of studies within an undergraduate programme) remains centrally managed and controlled by MOET. There appears to be no immediate plan or desire to change this situation. A curriculum framework prescribes for each training programme the necessary objectives, minimum knowledge requirements, structural curriculum components and necessary allocations of time to theory, practice and internship experience. MOET employs technical committees, often involving experienced academic staff, to develop and accredit these frameworks. These committees also recommend relevant textbooks. Individual higher education institutions then base their programme delivery on the relevant curriculum framework.

The only concern expressed in HERA about this process is that it needs to be refined to provide students with more opportunities for articulation between courses and institutions. It is clear, however, that there are other issues requiring attention in relation to curriculum frameworks. A view widely expressed is that they need to relate better to industry needs, that they need to focus more on the development of generic academic competencies and that they need to encourage students to develop a broader base of knowledge in the humanities or the sciences before proceeding to more specialised studies.[34]

Curriculum frameworks also result in quite heavy teaching workloads for academic staff. A curriculum framework for most undergraduate awards has two components. The first involves the acquisition of general knowledge across six

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[32] These concerns are documented in an Annex, prepared by MOET, to the Plan for Higher Education Renovation for the period from 2006 to 2010. Citation details are obscure.

[33] Decision 09/2005/QS-TTg, dated 11 January 2005.

[34] These issues were raised repeatedly in interviews.

areas, including social science, humanities, natural science, mathematics, foreign languages and a combined area of national defence education and physical exercise. In most cases, this component of the curriculum is covered during the first two years of a four-year undergraduate programme. The second involves the development of professional knowledge in the specific area of the training programme (for example, economics, or information technology, or mathematics). A four-year degree programme typically requires the successful completion of a prescribed number of study units, some of which are compulsory and some of which are optional. Each study unit generally enables the accumulation of two to four credit points.[35] One credit point is equal to 15 study periods (1 study period is equal to 45 minutes) of lecture classes, or 30–35 study periods of laboratory work, or 45–90 hours of on-the-job apprenticeship; or 45–60 hours of assignment, mini-thesis, study project or graduation thesis.[36] In general, these requirements result in high face-to-face teaching workloads for academic staff. There is at present no expectation that students should supplement time spent in lectures with additional time spent preparing for their lectures, which places an even greater burden on lecturing staff because of the need to 'cover the syllabus' during classes.

Quality assurance of higher education institutions or programmes is not well developed. The maintenance of academic standards by universities and colleges and the assurance of quality in the curriculum across training programmes are matters that are left largely in the hands of individual academics – though, in larger institutions, professional support services are becoming more available for academic staff. In general, however, higher education institutions have no formal processes for monitoring the quality of academic programmes or the teaching performance of individual members of staff. Across most public higher education institutions, members of academic staff rarely, if ever, seek formal feedback from students or graduates on their satisfaction with the academic programme. In the non-public sector, there appears to be greater concern about student satisfaction with teaching. These institutions are demand-sensitive and are more likely to employ academic staff on short-term contracts, at least initially. These contracts may not be renewed if there is dissatisfaction with teaching performance.

Late in 2004, MOET issued interim quality standards for higher education institutions and began to implement an institutional accreditation process, based on self-evaluation. Late in 2007, MOET issued a statement of quality standards

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[35] Article 27 (1b) in Decision no. 43/2007/QD-BGDDT, issued by MOET on 15 August 2007), regulates that a six-year university degree requires the successful completion of at least 180 credit points; a five-year university degree requires 150 credit points; a four-year university degree requires120 credit points; a three-year college qualification requires 90 credit points; and a two-year college qualification requires 60 credit points. There are institutional variations, however. At Can Tho University, the Rector regulates that a four-year degree requires the successful completion of at least 138 credit points. Article 3 (item 1) of this Decision regulates that a study unit has from 2 to 4 credit points.

[36] Decision no. 43/2007/QD-BGDDT dated 15 August 2007.

for higher education institutions and established procedures for accreditation.[37] A significant deficiency is that the process remains confined to MOET-controlled universities and colleges. It is not yet clear what forms of national quality control are to be applied to non-MOET public-sector institutions, or to higher education institutions in the non-public sector. There is concern expressed that the teaching and learning environment in some less-well-off universities and colleges, whether public or private, is of a very poor quality. In general, the issue of quality is a major challenge facing the higher education sector in Vietnam.

Research

Research activity in Vietnam's higher education institutions is weak. This fact is recognised in HERA. For most academic staff, the principal activity is teaching – though many would also like to be engaged in research. Various factors contribute to this situation. Research institutes tend to remain separated from the higher education system – a legacy of the Soviet higher education model. The level of national investment in science and technology is not sufficient to engage many academic staff in funded research; there is not a set of market measures to provide incentives for academic staff to engage in research; there is a culture of separation between teaching and research because of the existence and traditional importance of elite research-only institutes; and heavy teaching workloads necessarily mean that there is, in fact, very little time available for research.

There is official recognition of the need to increase the level of financial support for research in universities. The motivation for doing this is, in part, to increase the quality of teaching. It is widely asserted that members of academic staff who are involved in research will be better teachers because of the likely effect an engagement with research will have on their knowledge base and critical capacities. There is also an official commitment to enrich Vietnam by having scientists who are able to play a part in the creation of wealth through an involvement in contemporary fields of scientific and technological innovation. In HERA, for example, it is proposed that by 2020 the key universities should play a leading role in research across a range of fields and that their endeavours should be sufficient to generate income that meets a target of 25 per cent of the higher education system's income by 2020. This goal is extremely ambitious – though it is of note that there is a commitment in HERA to allocate at least 1 per cent of the state budget to higher education institutions to assist them to develop an income-earning capacity. It remains difficult at present, however, to see how universities in Vietnam will manage to have sufficient financial and scientific capacity during the next decade in order to be able to make a meaningful contribution to attainment of the goal. There is also the unresolved problem of the separate status and continuing independence of the elite research-only institutes.

[37] Decisions 65/2007 and 76/2007 of MOET.

Conclusion

Higher education in Vietnam has recorded many achievements since the establishment of a unified national higher education system in 1993. There is now a more diverse range of institutions and there are far more opportunities for young people to participate in higher education than at any time in Vietnam's past. HERA has signalled the need for further wide-ranging reforms. If successful, these reforms will contribute substantially to the attainment of a more internationally competitive higher education system by 2020. Vietnam's higher education system will, however, require more than the reforms specified in HERA. The system badly needs more resources, and it also needs to undergo significant cultural change in the areas of management and teaching.

Vietnam's higher education system is already seriously in need of more resources. It is run-down, with inadequate teaching and laboratory facilities, and with insufficient office accommodation for academic staff. The commitment in HERA to achieving a huge expansion of the system by 2020, while at the same time improving the staff/student ratio and increasing the proportion of academic staff with doctoral qualifications, will have enormous cost implications, adding greatly to the system's overall resource needs. It is not yet evident how these resources will be found. The decision to rely more on the non-public sector to facilitate the projected growth in enrolments will lessen the potential financial burden on the state, but this plan depends upon there being sufficiently strong demand for places in the non-public sector (having regard to the fact that tuition fees in the non-public sector are, on average, double those charged in the public sector).

Cultural change is required in the way the higher education system is managed. This change will require making a complete break from the legacy of centralised state control of the higher education system. Public higher education institutions, in particular, need to be provided with a strong incentive to take charge of their own destinies by responding to student demand, managing their own resources and planning for their future development. The legislative and regulatory environment needs to become more supportive of institutional autonomy and to operate much more efficiently. The capacity of individual higher education institutions to be self-governing needs to be developed and strengthened. A culture of collaboration in decision-making within higher education institutions needs to be fostered. In short, a management culture that has developed during the past 50 years of near-complete dependency on the state requires replacement by one that encourages self-reliance, initiative, transparency, accountability and efficiency.

Cultural change is also required in relation to teaching. The curriculum needs to focus more on assisting students to develop skills and capacities beyond those required solely for narrowly academic pursuits. It needs to enable students to exercise initiative, to be good problem-solvers, to have strong communication and teamwork skills, to develop a broad knowledge of their field and to have a passion for lifelong learning. The quality of teaching needs improvement, with academic staff becoming more responsive to the individual learning needs of their students, abandoning in the process a dependency on didactic methods of teaching. Teaching

staff need to be made accountable for the adequate performance of their teaching duties, but, at the same time, they need to be better paid, to be provided with better working conditions, and to have reduced staff-to-student ratios. Student assessment methods need to be comprehensively revised, and all forms of dishonesty in assessing student performance need to be eliminated. Finally, a research culture needs to be developed in universities so that teaching is adequately informed by research.

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Chapter 3
Higher Education in Vietnam 1986–1998: Education in Transition to a New Era?

Elizabeth St. George

Introduction

In 1986, several years before the break-up of the Soviet Union, the Communist Party of Vietnam (CPV) officially announced what became known as the policy of *doi moi*, or renovation, allowing the introduction of market transactions in the economy. In Europe, a similar process of opening up the state central planning system, beginning a few years later, became referred to as a process of 'transition'. This concept is particularly appropriate for understanding the changes to higher education that took place in the decade following the introduction of *doi moi*.

This chapter begins by considering the concept of transition, and its relevance to understanding the higher education sector in Vietnam. It then goes on to examine in turn the key areas that were being contested during this period: the direction of higher education policy, the marketisation of higher education, the curriculum and the appropriate division of authority between universities and the state, as epitomised in the 1998 Law on Education. It further argues that 1998, and the Law in particular, marked the beginning of a Vietnamese post-communist framework for higher education and the end of a series of episodes of experimentation, conservative backlash and accommodation similar to the transition experienced in Eastern Europe and China. It was a period that set the parameters for the shape and direction of Vietnamese higher education today.

The Concept of Transition

The concept of 'transition' in academic literature is now associated particularly with the aftermath of the collapse of the Soviet Union and the Communist bloc in Eastern Europe, although it has also been applied to China and other countries formerly

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under state socialism. Above all it is used to refer to the processes of economic change from state central planning to a market economy, and simultaneous political change from one-party rule to multi-party democracy. The two are often seen as inseparable or parallel processes, although writers accept that there may be gains or reversals in each sphere separately.

While in Europe change on these two fronts was sudden, dramatic and almost simultaneous, in countries such as Vietnam, China and Laos, change has been far more gradual and focused on changes in the economic, rather than the political sphere. Even now, while market transactions account for an increasingly large proportion of the economy in these three countries, multi-party democracy would appear a long way off. Nonetheless, the concept of transition provides important insights into the development of higher education in Vietnam.

In broad terms, the transition literature tends to describe a process of opening up along political and economic continuums in which the start and end points of the process are assumed more or less implicitly. In an overview of this transition literature, Edwin Winckler finds that the process of transition within a country and within sectors can look very different, depending on the starting point used by the author, the type of analysis undertaken and whether the enquiry spans the macro- or micro-levels, economic or cultural spheres (Winckler, 1999: 3–5). He finds different ways of measuring the extent of transition, including assessing the extent to which market institutions have been built, the extent to which fair rules of political competition have been institutionalised or, in relation to China, the 'shift in mechanisms' from bureaucratic direct intervention to indirect control through legislation and enforcement (Winckler, 1999: 4–5). Rather than describing a unified concept, his analysis instead tends to describe the start and end points of the respective authors' analysis and the process of change they are analysing. The focus on 'transition' is effectively a focus on a significant area of change that in some way is considered to contribute to economic or political opening-up.

Another way of understanding the process of transition, however, is that taken by Leslie Holmes. Rather than focusing on expected economic or political endpoints, he brings together common 'post-communist' features apparent in former communist bloc Eastern European countries immediately after the collapse of the Soviet Union. He finds that the common points across these different countries relate, perhaps not surprisingly, to the ideological system of values and beliefs under which people operated in the immediate post-communist period. Some of the phenomena he notes include the rejection of grand theories and teleologism, a high level of moral confusion, the view of the current period as being only temporary, dynamism, cynicism towards leaders and political institutions and a widespread sense of insecurity (Holmes, 1997: 14–21). Holmes describes a period during which everything about the previous order is brought into question, from cultural and behavioural norms through to political and economic transactions. Fundamentally, the process of transition involves the questioning of the ideological and normative foundations of the politico-economic order.

For Vietnamese higher education, the years 1986–1998 saw not only an opening up in the economic and political spheres, but also a fundamental questioning of the

boundaries within which the higher education system should be operating. This was followed by the re-establishment of new norms and boundaries in which debates about policy and direction could be contested.

Higher Education Policy on the Eve of *doi moi*

Under central planning, government ministries in Hanoi made all decisions for universities about issues such as finance, curriculum and enrolment. University institutions were placed under the oversight of the ministry with responsibility for that sector and these narrowly specialised institutions were expected to train the manpower to meet the projected labour requirements of each sector. For example, the University of Health was placed under the Ministry of Health, which decided which courses should be taught, the length of the programme of study, and, in conjunction with the Ministry of Planning, the employment that its students would receive on graduation. The Ministry for Higher and Secondary Vocational Education was responsible for a relatively small number of generalist universities such as the Hanoi General University (*DH Tong Hop HN*), University of Dalat (*DH Da Lat*) and the National Economics University (*DH Kinh te Quoc Dan*) which might supply graduates for a variety of sectors. It was also responsible for a large number of teacher-training universities, although lower level teacher-training institutions for primary and secondary teachers were under the jurisdiction of the provincial authorities (St.George, 2003: 114, 171). Universities in Vietnam constantly looked to the national government for direction, and links with the wider community were limited. At the same time, while nominally all decisions were made according to well-defined planning and allocation mechanisms, in practice personal relations were extensively cultivated and used to influence resource allocation and decision making.

Postgraduate education was very limited inside Vietnam. Rather than pursuing higher degrees within Vietnam, students with appropriate moral and academic qualifications were instead sent to friendly socialist countries abroad. Russian was the most common foreign language taught, compulsory in the first 2 years of study at university (Hoa, 1998: 166). This reflected both its status as the lingua franca of the Eastern bloc countries to which students were sent and Vietnam's geo-political alliances. The first postgraduate classes in socialist Vietnam were only officially operational from 1976.[1]

Centralised decision making was intended to reduce costs and streamline the process of training and labour allocation and ensure that labour requirements anticipated by forecasting projections were met. For central planners education was fundamentally about meeting the labour needs of the economy. They wanted to

[1] QD 224/TTg, 24 May 1976.

ensure that the dialectical relationship in which education and employment existed was kept in balance and that education neither outstripped nor fell behind the needs of the economy. As stated by the then Minister for Education:

> We are living in a society in full growth; education must follow a right path in accordance with economic and social development and at an adequate tempo. Otherwise there is a permanent risk of contradiction and tension. (Nguyen, 1971: 14)

If the structure of higher education was fundamentally designed to meet the needs of the labour market, it also had a number of ideological roles. From the time of the creation of the Democratic Republic of Vietnam (DRV) in the North in 1956 (and even earlier), through to *doi moi*, education was encouraged to be 'national, scientific and popular'.[2] 'National' education at different times included the rejection of colonialism, support for a socialist nation and, following reunification, the creation of a single unified system of education across the country. It also referred to the use of Vietnamese as the national language in schools and as a slogan to link education to national campaigns (such as the hygiene and patriotism campaign in 1956) (Pham, 1979: 17; St. George, 2003: 109–110). Support for 'scientific' education was support for a modern, technological society, and the drive to create skilled technicians who could support this society. Finally, a 'popular' education was one that was egalitarian and linked closely to production in the country. University students were expected to spend several months each year working in factories or teaching literacy in remote schools, according to their particular area of study. Popular education was intended to overcome a perceived traditional intellectual dislike of manual labour and create linkages between theoretical study and its practical application.

Education in the DRV was also organised according to 'class-based' principles (Vasavakul, 1994: 343–344). This meant favouring enrolment of students from a working-class or peasant background. Students were required to submit their 'curriculum vitae',[3] listing past places of residence, activities and affiliations (especially political), including those of all members of their extended family, as part of their application for admission to higher education. This procedure was used to reward those who had taken part in the resistance against France or the United States with a place in higher education, while those designated as landlords, and those who had, or whose families had, collaborated with foreign powers, were often excluded (St. George, 2003: 116). Candidates for doctoral degrees were expected to be strong supporters of the communist party and to 'put into practice the path and policies of the party and government, maintain a truthful attitude and help socialism'.[4]

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[2] *dan toc hoa, khoa hoc hoa, dai chung hoa*.

[3] *ly lich.*

[4] QD 224/TTg, 24 May 1976.

Higher Education Policy from 1986

The particular form that the higher education system in Vietnam took in 1986 was a function not only of socialist central planning common to other socialist-bloc countries, but also of the particular history of colonialism and civil war from which the country was emerging, and of the economic crisis in the immediate lead-up to the Sixth Party Congress. For education, the economic crisis of the 1980s had particularly severe effects. Higher levels of education were almost entirely dependent on the state for funds. High rates of inflation and falling levels of production meant that expenditure on public sector wages in real terms fell dramatically. Teachers' salaries were eroded and expenditure on infrastructure and equipment for schools was virtually at a standstill (St. George, 2003: 129). When the Communist Party of Vietnam committed itself to the policy of *doi moi* at the 1986 Sixth National Congress, it gave official approval for the first time to transactions taking place outside the system of centralised planning and allocation, as well as support for the introduction of a market economy. From this point of view, 1986 is an appropriate year from which to date is the official beginning of the transition in Vietnam. While the introduction of market exchanges offered the possibility of funding from outside of the cash-strapped public sector, how this would work in practice was far from clear.

In the year following the announcement of *doi moi*, education ministry officials and senior educators from around the country met to discuss the implications of the new policy for higher education. The conclusions of these discussions were that higher education institutions would now have to:

1. train manpower for non-state sector jobs;
2. obtain income from outside the state sector;
3. develop their own institutional plans and learning programmes to meet the needs of society as well as the state;

while graduates would

4. be responsible for finding their own work.[5]

A work plan involving three new programmes was established to meet the challenges facing higher education in the new environment. The programmes were improving the quality of education, and increasing the numbers of students; linking research and teaching more closely to production, and seeking out private investment; and increasing standards of teachers and administrative personnel, and

[5] See also Bo Giao duc va Dao tao (1995) 50 nam phat trien su nghiep giao duc va dao tao [Fifty years of education and training development]. Hanoi: Nha Xuat Ban giao duc, 236; and Bo Giao duc va Dao tao (Ban Dan lap) (1998) Mot so chu truong va bien phap cap bach de bao dam su phat trien ben vung va on dinh cua cac truong dai hoc dan lap [Some urgent policies and methods to uphold the strong and stable development of people founded universities]. Tai lieu hoi nghi dai tao dai hoc. Hanoi: Bo Giao duc va dao tao, 177.

democratising administrative practices. In practice, these programmes announced very little that was new for higher education. Calls to improve the quality of education and raise teaching standards had been made since at least colonial times, while linking teaching and research to production were familiar slogans from the 1950s. The plan to 'democratize administrative practices', while a relatively recent notion, was not specific to education, but part of a broader administrative reform process taking place across the Vietnamese bureaucracy. 'Democratization' referred to the process of devolving more authority to middle-level cadres, with the intention of ensuring that decision makers were closer to the areas affected by their decisions, and of addressing the failure of tight central control over planning and resources. Eventually this process led to widespread complaints about public resources being used for personal gain and a re-centralisation of control (Vasavakul, 1996: 46–51). Within the three programmes announced by the ministry, there was little evidence of new thinking in response to the changing socio-economic and wider social context, and no clear guidance as to how universities should respond.

New Thinking

Proposed changes to higher education in the immediate aftermath of *doi moi* and into the early 1990s continued to conceptualise education as a form of social welfare, dependent on economic development for its existence (St.George, 2003: 137). This began to change, however, in 1991. Pham Minh Hac, then Vice-Minister for Education, has argued that:

> Since 1991 education along with science and technology has been considered as a primordial state policy... it is necessary to do away with the opinion regarding investment for education merely as a kind of welfare fund to which one may allocate at will any amount of money. Investment in education is investment in development, being the fundamental investment in the socio-economic strategy. Subsequently, especially as from 1991 and since the fourth Plenum of the Party Central Committee (1993) the view has become clearer and education is regarded as part of the socio-economic infrastructure (Pham, 1998: 29).

In fact, it is around 1991 that education became increasingly discussed in terms of its contribution to the economy in leading economic and political journals, and that human capital theory began to make inroads into the thinking of political leaders (St. George, 2003: 143). Several factors can be associated with this change. In 1991, the Seventh Party Congress re-analysed the role of intellectuals in society. Where previously they had been treated as part of the elite and considered with suspicion, the Seventh Party Congress asserted that intellectuals were vital to building socialism and confirmed that intellectuals were now all the children of workers and peasants and no longer members of the elite (Dang Cong San Viet Nam, 1991: 114). This reinterpretation of the importance of intellectuals paved the way for the resurrection of the status of higher education.

At the same time a number of outside influences were encouraging the government to place more emphasis on education. In 1990, Alvin Toffler published his book, *Powershift*, which argued that: 'The most important economic development

of our lifetime has been the rise of a new system for creating wealth, based no longer on muscle but on mind' (Toffler, 1990: 9). His book was translated into Vietnamese and large tracts were reproduced in succeeding issues of the leading economics journal, *Nghien cuu Kinh te*, in 1991 and 1992. Intellectuals had always enjoyed a high level of prestige in Vietnam and Toffler's arguments bridging the theoretical gap between intellectuals and their contribution to economic growth were eagerly received.

Another source of inspiration for leading educators was undoubtedly the UNDP/UNESCO-sponsored project entitled the 'Education Sector Review and Human Resources Analysis'. This project brought together a number of international experts in Vietnam to conduct an in-depth analysis of the education sector and provide new research tools in order to enable Vietnamese participants to undertake their own research. Participants in the project described it as a 'dredging of the waterways to accommodate a new flow of ideas about how to break any upstream logjam' (Le and Sloper, 1995: 7). The upstream logjam refers here to the set pattern of ideas that existed about education, particularly among senior-level administrators who had responsibility for adopting new policy.

At the same time, the government was undertaking a thorough political and economic re-evaluation of education and training, of which the UNDP/UNESCO project was an integral part. The results were presented at the Fourth Plenum of the Communist Party Central Committee (seventh Congress), held from 10 to 14 January 1993. The Plenum was a landmark for education. It was the first time a plenum had been devoted solely to the education sector, and it resulted in a specific resolution, 'On the continued renovation of education and training' (Pham, 1998: 35). This resolution offered general principles for the development of the education sector, under four headings:

1. education is a priority policy and investment in education is investment in production;
2. develop education to raise the intellectual standard of the people, train manpower and foster talent;
3. link education closely to the developmental needs of the country and actual progress and ensure continuing education for everyone; and
4. diversify forms of training, ensure the payment of fees and principles of equality (Bo Giao duc va Dao tao, 1995: 402).

These four principles marked a fundamental shift from previous policy and set the stage for the higher education sector in Vietnam into the future. Education policy makers would no longer look to labour market requirements and the predictions of the Ministry of Planning to make decisions about the shape of the education sector, but could argue for investment in education as an investment in development in its own right.

Other important developments stemming from the Plenum also included the beginning of a steady rise in the allocation of funding to education from the state budget, the re-organisation of the degree structure for higher and postgraduate

education, the introduction of a two-phase higher education system and the introduction of community colleges, all of which were fundamental changes from pre *doi moi* policy. The Fourth Plenum in 1993 in many ways marked a turning point for the education sector in Vietnam and for the higher education sector in particular.

Experimenting with a Market in Education

Changes in higher education institutions did not wait for government policy, but were a significant factor influencing the direction of that policy. Even before the announcement of *doi moi*, the University of Ho Chi Minh City (*DH Tong hop TpHCM*) requested permission from the government to accept fee-paying students. University lecturers there had participated in a review of higher education over the previous decade and pointed out the successes that had been achieved in agriculture with the introduction of production-based contracts. They suggested that parallels could be drawn with students in higher education. In Ho Chi Minh City (HCMC), teachers were underemployed and suffering from low wages, while youth unemployment was a significant concern. Increased enrolments as a consequence of accepting fee-paying students had the potential to address both problems simultaneously. The proponents of the 'open enrolment' system within the University received permission to enrol fee-paying students on a trial basis from September 1986. The experiment was not made widely known and only officially recognised almost a year later when the first cohort of students had finished their first year of study. Shortly afterwards, it was made public, and at the 1987 rector's conference in Nha Trang, the experiment was confirmed as having been a great success (Dai hoc va Giao duc Chuyen nghiep, 1988: 16, 19; Thao, 1998: 41).

Following the experiment at the University of HCMC, and despite ministry requirements that universities apply for approval before enrolling fee-paying students, the number of universities offering places under a fee-paying open enrolment system for students rose exponentially, from a single university in 1987 to seven in 1988, and to 30 universities by the start of the 1988/1989 academic year (Dai hoc va Giao duc Chuyen nghiep, 1988; Bo Giao duc va Dao tao, 1995: 238). The number of students enrolled in this way also grew exponentially, from 4,489 in 1988/1989, the first official year of the system, to 28,731 at its peak in 1992/1993 (St.George, 2003: 236). The rapid increase in students reflected the pent-up demand for higher education in the country, particularly in the South, where large numbers of students with associations with the former regime or with Western countries were discriminated against in university enrolment. It reflected also the willingness of universities to increase the enrolment of fee-paying students who could bring additional income to supplement teacher salaries. The rapid increase was not, however, without its problems. By 1992/1993, amidst concerns about the quality of the students being enrolled, the experiment was being shut down. Open enrolment students, who were required only to have completed their senior secondary certificate

for admittance, usually became fee-paying students once they had already failed the entrance examination that would have guaranteed them a free place and a job upon graduation.

Another form of experimentation was the introduction of private higher education institutions. Thang Long University was the first non-government institution to operate, on a trial basis, from 1988. It was established by a group of highly renowned and respected mathematicians, many with postgraduate degrees from either the Soviet Union or France, who were concerned about the lack of funding flexibility, and therefore quality, in Vietnamese higher education (Hoang and Bui, 1992; St.George, 2003: 203). The University had a slow start, beginning life as Thang Long Tertiary Education Centre, with one faculty – mathematics and computer science – and an initial enrolment of around 50 students. The centre was allowed at first only to offer certificates for individual courses of study. It faced significant scrutiny and suspicion during its foundation, to the extent that it received 'concrete guidance' on its operation from the General Secretary of the Communist Party at the time (Pham, 1997: 204). It was eventually given official permission to offer degrees by the Ministry of Education and Training (MOET) and it became a fully-fledged 'people-founded' university in 1990. People-founded universities were those opened under the sponsorship of community organisations, although for all intents and purposes they were run as private organisations. The introduction of the term 'people founded' was intended to avoid the connotations of 'private' as being for-profit, which was viewed with suspicion in the socialist country.

If suspicion was the greatest difficulty faced initially by the institution, by 1990, the rector, Hoang Xuan Sinh, argued that the greatest difficulties were financial (H.B. 1990). The founders had significant success in leveraging their international contacts to obtain initial funding to found the centre, but by 1990 these funds were drying up and there were strict restrictions on the level of fees that the founders were allowed to charge the students. The first graduates were in 1993. The University expanded slowly in an effort to ensure that educational standards were maintained. By 1997 it was enrolling around 1,100 students.

Following the establishment of Thang Long as a university, other non-government institutions quickly followed suit. The second non-government institution to open, Ho Chi Minh City Semi-Public Open University (*DH Mo Ban Cong TpHCM*), was established on 15 June 1990, with a mandate for providing flexible education to rural students who would not otherwise be able to attend higher education in HCMC. In contrast to Thang Long University, the Open University expanded rapidly, enrolling 3,000 students in its first year and 12,000 students by 1993. Not only was it opened in the south of the country where fee-paying had not long been abolished, but it was also founded on the basis of an existing public-sector institution. To some extent it was able to address opposition to providing education for profit in a socialist country because it was set up to provide education to poorer, rural students. At the same time it was dependent on the state for its infrastructure, and its 'private' status was not clear. In 1995, concerns about the quality of the University, and about its ability to service the rural community (a large proportion of new students were from HCMC), prompted the government to move

6,000 of the University's students to other institutions so that it could concentrate on the provision of distance education (Pham, 1997: 98). This decision suggested that the government did not consider it to be a private institution in the sense of being autonomous.

Between 1993, when the framework for non-government higher education institutions was established, and 1998, when the government suspended approval of any new requests to found private institutions, 15 people-founded universities and 3 semi-public universities had been opened (compared with 118 existing public higher education institutions). While, across all institutions, the number of students had increased rapidly during the 1990s, nowhere was the increase more evident than in people-founded universities. Between 1995/1996 and 1998/1999, the number of students enrolled in people-founded universities increased by 361 per cent (from 19,180 to 69,228), while in public institutions the number increased by a comparatively modest 72 per cent (from 334,078 to 575,446).

In contrast to the careful monitoring of Thang Long University, the founding of later institutions went largely unchecked. Non-government institutions, and to a lesser extent government institutions, far exceeded the enrolment quotas allocated to them by the MOET. In 1998, the people-founded University of Dong Do (*DH Dan Lap Dong Do*) in Hanoi, for example, exceeded its student quota by 91.8 per cent (4,042 students), and the people-founded University of Industrial Engineering, Ho Chi Minh City (*DH Dan lap Ky thuat cong nghiep TPHCM*), exceeded it by 25.4 per cent (1,191 students). At the same time, some institutions did not manage to meet their quotas, such as Thang Long University, which was under-enrolled by 58.8 per cent, but such instances were rare (Bo Giao duc va Dao tao (Ban Dan lap), 1998).

Examples of overcrowding and apparently mindless expansion were frequently cited in the press during 1998, with particular blame attached to the institutions for their irresponsible actions in not guaranteeing the quality of their graduates. Blame was also levelled at the MOET for not taking seriously the inspection of the quality of the institutions. One author complained that: 'The conclusions of the missions [to supervise the non-public HEIs] usually depend on their personal relations or the mission's sympathy for the supervised institution' (Pham, 1997: 123). University staff had to establish warm personal relations with particular ministry officials to achieve a better outcome for their institution.

Two elements are worth highlighting from the experimental introduction of fee-paying students and private universities in the early 1990s. The first is that these experiments were initiated by higher education institutions, rather than by the state, albeit under close state supervision. The second is that, despite possible ideological opposition to fee-paying education, the popularity of the experiments among universities, students and families who would not otherwise have found a university place for their children saw the authorities not only accept this solution to the crisis, but endorse its rapid expansion, to the detriment of the quality of the education being offered. These experiments launched Vietnam on a path well-known to the rest of the world, that of finding the appropriate role for the

state in higher education, between the extremes of state central planning and laissez-faire.

The introduction of fees at Ho Chi Minh City University and the establishment of Thang Long University were both dramatic innovations that underscored a fundamental shift in Vietnamese society towards acceptance of a market in education, but this shift was far from certain as a way forward for the future. Non-public institutions were given formal policy recognition at the Second Plenum of the Eighth Party Congress in 1996.[6] Two years later, however, because of the criticisms levelled at these same institutions, the MOET suspended approval of any new non-public institutions until it could investigate the problems more thoroughly. As discussed further below, the 1998 Law on Education was particularly ambiguous in its support for a market in education.

The introduction of fee-paying students was a change that was diametrically opposed to the fundamental outlook of the Communist Party of Vietnam. Viewed in historical context, the process went through a period of laissez-faire, leading to wide-ranging experimentation, followed by both public and political backlash that re-defined the parameters within which the education sector could operate. Such a process is characteristic of sectors undergoing a post-communist transition.

A Socialist Curriculum

If centralised planning and funding of higher education by the state was one basic characteristic of the 'socialist' education system in Vietnam, a second defining characteristic was a strong emphasis on 'Marxist-Leninist' teaching. This second characteristic was also brought into question immediately following the announcement of *doi moi*.

The study of Marxist-Leninist subjects refers not only to the study of Marxist-Leninist theory *per se*, but also to a suite of related subjects such as Ho Chi Minh thought, History of the Communist Party, Marxist-Leninist Political Economy and Scientific Socialism. The study of Marxism-Leninism and its related subjects was and is compulsory for all students. Such study is intended to play a number of roles. Most obviously, it is intended to give students an understanding of the theoretical and historical background to the political and economic environment in Vietnam, and to groom them as supporters of the existing order. The President of the Central Theory Committee (*Hoi dong Ly luan Trung Uong*), a think-tank attached to the Party Central Committee, argues that education is fundamental to ensuring the high level of theoretical and ideological understanding needed to shore up the foundation

[6] See Communist Party of Vietnam (1996). Resolution of the Second Plenum of the Central Party Committee (eighth Congress): The strategic orientations for the development of education and training in the industrialisation and modernisation period and related tasks until the Year 2000 (24 December 1996). Unpublished translation.

of the party and the state, and overcome the enemies who wish to overthrow the revolution and abolish socialism in Vietnam (Nguyen, 2005). For such thinkers, an attack against the study of Marxist-Leninist subjects is considered an attack against the Vietnamese nation. Marxism-Leninism was considered to imbue people with the ardour and revolutionary spirit that had helped the Democratic Republic of Vietnam reunite the country and overcome the might of the United States. 'Government's concern in ensuring political correctness of teachers and students led to political education becoming a qualitative indicator of the whole education system' (Hoa, 1998: 145).

The study of Marxism-Leninism is also intended to raise the socialist qualities of students, held to be synonymous with their moral qualities. This is the position taken by Nguyen Quoc Anh, who, towards the latter half of the 1990s, found that there had been a rise in the 'social evils' in higher education. While he blamed families and university administrators in part for these occurrences, he also accused schools of not taking Marxist-Leninist studies seriously, resulting in a lack of interest on the part of students and a lowering of their moral qualities (Nguyen, 1997). In comparing moral education in three socialist countries, China, Cuba and Vietnam, W. John Morgan finds that for Vietnam: 'In higher education, the ideas of inculcating socialist thoughts and socialist principles are as important as building intellectual ability; these are again conventional goals of a ruling communist party' (Morgan, 2005: 395).

An analysis of moral and political education in the Vietnamese curriculum from primary school through to postgraduate education highlights how this works in practice. Dung Hue Doan notes that until grade ten, or the end of lower secondary school, moral education focuses on the strongly Confucian-influenced principles of love of nation, community and family. Socialist and Marxist-Leninist principles are introduced in upper secondary school but still taught alongside Confucian principles, blending ideas of socialism and citizenship (Dung, 2005). It is not until students reach university that Marxist-Leninist theory per se is taught as a compulsory subject. These compulsory undergraduate and postgraduate courses provide students with the foundations for understanding and furthering Marxist-Leninist theory and Ho Chi Minh thought.

In effect, it could be argued that higher education is one of the key ideological battlegrounds for the perpetuation of the current political regime. While there is a strong network of party cells in workplaces, and administrative divisions at all levels, which are responsible for disseminating and applying communist party policy, it is largely through universities that the communist party is able to ensure the dissemination of Marxism-Leninism and Ho Chi Minh thought, the ideological foundations and rationale for the Communist Party of Vietnam, and its re-interpretation for a new generation.

The study of Marxism-Leninism and Ho Chi Minh thought is important not only for its contribution to nation-building and building the moral qualities of students, however, but is also believed to provide a scientific approach and theoretical foundation for interpreting every area of thought and activity (Luu, 2005). In other words, such study is fundamental to the ability of students to undertake higher levels of

education or research. Eero Palmujoki describes in detail how Marxist-Leninist principles such as dialectical materialism and the distinction between subjective and objective facts have been used to build platforms of acceptable rational argument in Vietnamese discourse (Palmujoki, 1997: 15–22). This method of argumentation was particularly evident in social science journals during the 1990s and earlier. The influence of Marxist-Leninist principles on enquiry in higher education in Vietnam is outside the scope of this paper. It is worth noting here, however, the belief among senior academics (of which Luu Ha Vi is one) that the study of Marxism-Leninism is fundamental for students to be able to both interpret and contribute to understanding about how the world operates, and is therefore commensurately defended as a necessary subject of study.

The fervent ardour with which the importance of Marxist-Leninist studies has been upheld, particularly among Marxist-Leninist theorists, is in stark contrast to the passive and sometimes less-passive opposition of students towards its teaching. This was increasingly commented upon, in the immediate aftermath of the announcement of *doi moi* (Dao, 1989a; Dai hoc va Giao duc Chuyen nghiep, 1989; Phuc and Xuan, 1989). The issue was of such concern that it even received a special mention at the Seventh National Party Congress in 1991.[7]

A review of changes to Marxist-Leninist training at the Polytechnic University in Hanoi (*DH Bach Khoa*) in 1989 found that the programme of study bored many students. The author argued that this situation could in part be blamed on the lack of textbooks and outdated documents for the subjects, but also on the high number of hours devoted to the subject and the lack of commitment of the teachers in presenting the courses (Dao, 1989b). For those studying economics at the School of Economics in the National University in HCMC in the early 1990s, such subjects comprised almost a quarter of their total programme, that is, 300 hours out of a total 1300 hours (Doan va Thanh nien, 29 December 1988: 6). Well aware of the problems, the Ministry of Higher, Technical and Professional Education issued an instruction for amendments to the existing programme in December 1988. According to Instruction no. 12,[8] Marxist-Leninist studies were not to represent more than 8 per cent of the total study time for natural and physical sciences, 10 per cent for the social sciences, 12 per cent for a 5-year economics course and 14 per cent for a 4-year economics course, while the examination in the studies at the end of the degree programme would be abandoned and replaced with smaller subject-specific examinations (Doan va Thanh nien, 15 December 1988, p. 6). To some extent the instruction was an administrative readjustment designed to coincide with the government's plans for all courses to be run on a two-semester rather than a yearly basis.

In 1989, the Rector of the School of Economics at the National University in HCMC agreed that the teaching of these courses had not been keeping up with the decisions of the party (in particular the policy of *doi moi*) and that there was an

[7] Dang Cong San Viet Nam, 1991: 33.

[8] Chi thi 12, 1 December 1988.

increasing divide between the current reality of emerging market transactions in the economy and the theory of state central planning being taught in classrooms. Nonetheless, the rector argued that the courses should be maintained and would be upgraded as new teaching documents became available. Students at the School of Economics were particularly disgruntled with the rector's decision, and with the parallel decision to continue with the final examination for these subjects. They took the unusual step of demonstrating against the decisions, and, even more unusually, the demonstrations were reported in the newspapers. Faced with protests, ministry officials met with the rector and agreed to uphold his decision not to reduce the number of hours the subjects were taught, on grounds put forward by the rector, namely that political economy subjects were a pivotal part of the curriculum studied at the University and employed a large number of teachers. To reduce the number of hours devoted to these subjects would result in a large number of teachers left unemployed and demean the status of existing courses (Doan va Thanh nien, 12 January 1989: 6). Ten years later, however, the number of hours these subjects were taught at the University had, in fact, been reduced, in line with the national recommendation, to 12 per cent of the total curriculum (Hanoi National Economics University and Japan International Cooperation Agency, 2001: 77).

The demonstrations at the School of Economics were important, as they were the last organised and publicised attempt to change the curriculum. They also marked a singular willingness to engage in a fundamental reshaping of the cornerstone curriculum of socialist central planning – Marxism-Leninism – both on the part of the central state ministry and on the part of students.

Several months after the demonstrations, the collapse of the Soviet bloc in Eastern Europe sent shock waves reverberating throughout Vietnam. While student discontent with the programme of study did not again become public, dissatisfaction with the teaching of Marxist-Leninist studies continued. In 1998 a conference held on improving the quality of teaching and study of Marxism-Leninism and Ho Chi Minh thought in universities found that the quality of these subjects had been steadily declining since the beginning of *doi moi* and that teachers were not as 'ardent' as they had been before the fall of the Soviet Union. Nonetheless, the Communist Party daily, *Nhan Dan*, argued that these subjects were the cornerstones of the Communist Party of Vietnam, one of the few communist parties to continue successfully on the path to socialism, and that it was therefore up to teachers to improve their teaching of the subject.[9] In 2007, focus group discussions with 30 Vietnamese economics and social science graduates studying in Australia found likewise that students felt that too many hours were spent studying Marxist-Leninist theory and related subjects, and that the methods for teaching these subjects were outdated. A common complaint was that these subjects offered little basis for understanding contemporary Vietnam – the same complaint that was raised 20 years earlier in the wake of *doi moi*.

[9] Nhân Dân, 26 June 1998: 1, 6.

The introduction of private funding and of the re-examination of the place of Marxist-Leninist studies were both experiments in fundamental changes to the system of higher education. But while paying fees has become an accepted part of Vietnamese higher education (albeit subject to continual refinements), the prominent role of Marxist-Leninist studies continues to be hotly defended. In 1989, following a short period of laissez-faire, the government quickly set firm boundaries around what could be discussed in terms of curriculum. While there has been significant change in the courses offered by higher education institutions since the start of *doi moi*, the line drawn in the sand has been to reject questions about the importance of Marxist-Leninist studies.

In summary, in terms of both funding and curriculum, the higher education sector during this period went through a process of experimentation, followed by official and public backlash against those experiments that went too far. This experience drew the boundaries around what was culturally, socially and educationally acceptable in higher education policy to both the Vietnamese people and the government. The parameters within which the higher education sector could operate in the new environment gradually began to take shape.

The Law on Education – Defining the Appropriate Distribution of Authority

The Law on Education passed in December 1998 marked in some ways a culmination of the process of experimentation and search for a direction under *doi moi*. It brought together in one document the areas where consensus had been reached, and it remained ambiguous in those areas where there was still a high level of contestation about the way forward. As such, it is an important document for understanding where the process of transition in higher education was at in 1998, and what the areas were that remained to be resolved in the future.

The development of the law, by its very creation, demonstrated the commitment of the government to a more standardised and rule-based system of checks and balances, as compared with the previous, more personalised, system of decision making. While not at the centre of those changes considered to indicate political transition, it does indicate a shift away from direct intervention to indirect control, or a move along the transitional path in the political sphere. As in other sectors, Vietnam's higher education system had been governed by a myriad of rules and decisions, which simultaneously encouraged a high level of discrete flexibility and a high level of official paralysis. As the economy opened up and as more private transactions took place, this system compounded and reinforced the likelihood of corruption taking place. The law was seen as one means of combating this unwanted phenomenon.[10]

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[10] Nhan Dan Internet Edition (1998) Quoc hoi thao luan du an Luat dua doi, bo sung Luat Dat dai 1993, Luat Giao duc [The National Assembly discusses the legal project to correct and strengthen the Land Law (1993) and the Education Law] www.nhandan.com.vn 10 November 1998.

As discussed above, the role and place of a market economy in education was one of the biggest arenas for debate during the 1990s. On the one hand, the Law on Education allowed for the private funding of higher education, for example, by stipulating the existence of public, semi-public, people-founded and private institutions (Art. 44), and it allowed for the possibility of tax deductions for those contributing directly to education (Art. 91). On the other hand, it failed to give any further details regarding the status of those institutions vis-à-vis the state, or, more generally, the role of private institutions in a state-dominated sector. The law 'forbids all actions commercialising educational activities' (Art. 17), but at the same time gives permission for economic activities to support educational activities (Art. 54). The distinction was intended to be a moral one, recognising the need for supplementary, non-state funding for education, but rejecting the sale of educational services per se to meet these needs (St. George, 2005: 128–129). The contradictions reflect the high level of ambiguity and uncertainty around how to resolve the need for greater funding to finance an expanded education sector, and the strongly held ideological belief in free and equitable access to quality education.

The key administrative ambiguities within the law centre on the division of responsibilities within education. Compared to previous regulations, the law showed a clear, albeit limited and ambiguous, move to increase the autonomy of higher education institutions and reduce the role of the state. Article 48 envisaged universities establishing their own regulations of operation, including establishing links with the wider community and society (rather than awaiting directions from above, as previously). The award of postgraduate degrees, a highly public and politicised activity, was also devolved. Though PhD candidates were no longer to be examined by a committee appointed by the prime minister, nor assessed for their support of the Communist Party, there continued to be high level of government involvement, with the Minister for Education awarding the degrees. For master's degrees, the award was no longer made by the minister, but by the rector of the relevant university (St. George, 2003: 217–220).

The law made clear, however, that unlike the countries in Eastern Europe, Vietnam was still a country on the path to socialism, guided by Marxism-Leninism. Returning to pre *doi moi* language, Article 3 specified that: 'Vietnamese education is socialist education with popular (*nhan dan*), nationalist (*dan toc*), scientific and modern characteristics, based on the foundation of Marxism-Leninism and Ho Chi Minh thought'. Each level of education was given a particular responsibility in this regard. Basic education had the role of helping to build a socialist Vietnamese person (Article 23), while undergraduate and postgraduate teaching were required to ensure that students had an excellent knowledge of Marxist-Leninist thought.[11] For postgraduate education, the theme was further developed in the Law on Science and Technology, which specified that research was expected to 'creatively develop and apply the reasoning of Marxism-Leninism and Ho Chi Minh thought; to build

[11] Article 36, par.1.a, and Article 37, par.2.a.

socialist reasoning and the path to socialism in Vietnam'.[12] One of the fundamental roles given to higher education then was to support and reinterpret the theoretical foundations of the Communist Party of Vietnam itself.

In summary, the law promulgated in 1998 set out the ground rules for education, including the articulation of Marxism-Leninism and Ho Chi Minh thought as the guiding forces in the education sector. The law nonetheless remains ambiguous in areas such as the role of fees, private universities and the division of responsibility among actors in the education sector, in line with the unresolved process of experimentation of the previous decade. These issues were taken up and resolved in the direction of greater decentralisation of administrative responsibility, and greater support for the private funding of education, in the revised Law on Education in 2005, but they remain issues of contention.

Conclusion

In 2006, after 20 years of *doi moi*, the Tenth National Party Congress of the Communist Party of Vietnam again asserted that Vietnam is on the path of 'a market economy with a socialist orientation', and that Vietnam would 'continue to develop democracy, build and perfect a socialist law-governed state'.[13] What this means in practice is still not clear to Vietnamese leaders, let alone to outside observers, but it does highlight the government's focus on the inter-connectedness of the economic and political paths in a post-communist Vietnam.

In line with the concept of 'transition' outlined at the start, this chapter has argued that during the 1990s, Vietnam's higher education system underwent a fundamental period of transition, both in Winckler's sense that it became more market-oriented and less under the control of central planning and also in the more fundamental sense elaborated by Holmes in that it became legitimate and widespread to question the foundations of the existing system.

While concerns in the higher education sector initially centered around overcoming the immediate crisis in education, this rapidly gave way to key questions such as: What is the role of higher education in the new society? Does non-public funding have a role to play? What is the role of the international community? Do Marxism-Leninism and Ho Chi Minh's thought still have a role to play?

The period of transition for higher education in Vietnam saw a marked expansion in the arena of contestability around the paradigms, norms and values underpinning higher education, particularly in relation to economics and politics. By the end of

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[12] Article 4, Section 1.

[13] See Ban Chap Hanh Trung Uong (2006). Nang cao nang luc lanh dao va suc chien dau cua Dang, phat huy suc manh toan dan toc, day manh toan dien cong cuoc doi moi, som dua nuoc ta ra khoi tinh trang kem phat trien [Step up the capacity of leaders and the struggle of the Party, engage the strength of the people, push forward comprehensively the process of renovation, and quickly pull our country out of the ranks of less developed countries]. Political Report of the 10th Party Congress, Art III, XI.

the 1990s, through, in particular, the process of elaborating the Law on Education, that arena of contestability had again shrunk. Strident opposing views were once again on the periphery, rather than at the centre of the debate.

Reinforcing the perception that Vietnam has reached a post-transitional phase in higher education, in the period from 1998 to 2008, the debates have moved on. Fundamental questions addressed in the Government of Vietnam's 2005 vision for higher education in 2020 no longer centre around whether private universities should be allowed to exist at all, but how responsibilities are best divided between the state and the universities, between the private and the public sectors. The role of Marxist-Leninist studies has been reaffirmed, but again, the relevance of asking about its role has diminished, given that students now get much of their instruction from the Internet. The key debates that now excite the imagination of higher education policy-makers no longer relate to the transition from state central planning, but to ensuring that Vietnam has a university in the top 200 in the world by the year 2020.

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Chapter 4
The Higher Education Reform Agenda: A Vision for 2020

Pham Thanh Nghi and Jonathan D. London

Introduction

Since 1987, when the *doi moi* reform process began, Vietnam has made significant progress in increasing the size and diversity of its higher education system. In terms of quality, however, the system is still not up to international standards. Significant deficiencies remain, particularly in the areas of governance, programmes, curricula, teaching methods, academic staff qualifications and physical infrastructure.

Recognizing a need for further radical reform of the system, the government promulgated Resolution 14 on the "Fundamental and Comprehensive Reform of Higher Education in Vietnam 2006–2020" (also known as the Higher Education Reform Agenda, or HERA). HERA presents a vision of what the higher education system should become.

This chapter addresses specifically a range of challenges facing the implementation of HERA. A perspective advanced is that, in an age of globalization, and especially now that Vietnam is a member of the World Trade Organization, the overriding challenge for Vietnam's higher education system is that of improving the international competitiveness of the country's professional labour force. In this regard, weaknesses in Vietnam's higher education system serve only to undermine the nation's capacity to achieve rapid global integration.

HERA's Goals

The general aim of HERA is expressed as follows:

> To carry out fundamental and comprehensive reform of higher education; undertake a process of profound renews in the area of the quantity, quality and effectiveness in order to meet all the demands of industrialization, modernization, global economic integration and society's demand for learning opportunities. By 2020, Vietnam aims to have a higher

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education system that is advanced by international standard, highly competitive, and appropriate to the socialist-oriented market mechanism.

Further and more specific objectives are to:

(a) complete the national network of higher education institutions, with decentralization of training functions and task; put in place qualifications mechanisms, at both sector-wide and local levels, that with both the government's cost-recovery policy in education and its master plan for socio-economic development of the whole country and of each region.
(b) develop higher education curriculum that supports research and provides career orientation; ensure linkage among various curricula within the system; establish and develop quality assurance mechanisms and a higher education institution accreditation system; develop higher education institutions that meet international standards;
(c) increase higher education enrolment to reach 200 students per 10,000 population by 2010, and 450 students per 10,000 population by 2020; reconfigure the sector so that 70–80 per cent of students enrol in professionally oriented programmes, and 40 per cent enrol in non-public higher education institutions;
(d) train sufficient numbers of higher education institution staff and managers with strong ethics, sound technical qualifications, and advanced methodology and management skills; reduce the higher education student-to-teacher ratio below 20:1; ensure that by 2010 at least 40 per cent of teachers have master's-level degrees and 25 per cent a doctoral degree, and by 2020 these figures are 60 and 35 per cent respectively; and
(e) increase, in quantitative and qualitative terms, the science and technology activities being carried out within higher education institutions; develop key higher education institutions into major scientific centers for the entire country; increase income from science and technology activities (activities and products) such that it accounts for at least 15 per cent of total higher education institution income by 2010 and 25 per cent by 2020.

Challenges for HERA

HERA faces enormous challenges, some of which relate to the difficulty a relatively poor country has in keeping up with the strong social demand for higher education, and others of which relate more to aspects of the system that simply do not function effectively. Both types of challenges are addressed in the following account.

Lack of Resources

Vietnamese society has made impressive progress during the past 20 years of renovation, but it is still a developing economy with limited availability of funds to

invest in its higher education system. As a result, the system has poorly equipped facilities, lacks sufficient space and has few financial incentives for the development of academic staff or for the renovation of academic programmes. More profoundly, there is a serious lack of sufficient teaching staff. During 20 years of renovation, the number of students increased almost tenfold, from about 135,000 to about 1.4 million. During the same period, the number of the teaching staff managed only to double. This mismatch provides an explanation for much of the decline experienced in the quality of the higher education system.

It is difficult to see how this situation can be improved without a far greater investment of funds. It is difficult also, however, to know where these funds might come from. The National Assembly has on several occasions rejected attempts to raise more funds by increasing tuition fees or by seeking more contributions from students and their parents. In the absence of more funds, HERA's ambitious plan for further rapid expansion of the system will place enormous pressure on the system's quality. HERA sets a goal to achieve 450 higher education students per 10,000 population by 2020, nearly four times higher than at present. Academic staff numbers, if calculated on the requirement of a student/lecturer ratio not greater than 20, are already short by about 30,000 persons. With existing plans for expansion of the system, 170,000 new academic staff will be needed. According to the established standards, the system will by 2020 need more than 100,000 academic staff holding a master's degree and 60,000 staff holding a doctorate. This objective is unachievable, given existing levels of investment expenditure. In this regard, HERA needs to have a revised goal that places less pressure on teaching staff in higher education.

Lack of Dynamism in the Labour Market

Despite the high annual rates of economic growth being achieved by Vietnam, the labour market is not all that dynamic. Each year about 1.5 million new employment opportunities are created and 1.3 million people change their jobs. This means that, each year, only 2.8 million out of 42 million workers, or 6.5 per cent, contribute to job turnover (Pham et al., 2006). The opportunities for an infusion of new ideas through the employment of recent graduates are, therefore, quite limited.

The country is also faced with difficulty in providing highly qualified human resources for modern sectors of the economy, as well as for higher education itself. Vietnam has low-cost human resources, but its competitive capacity remains weak. A society with a low level of development sees little need for new knowledge, or for talented people and their initiatives, and, consequently, it does not feel a need to invest heavily in a system of higher education that produces the highly qualified researchers and engineers required for economic development. Compounding this problem is the fact that human resource utilization does not create enough motivation for higher learning at universities and colleges. Students and their families pay more for tuition fees and other expenses than graduates can earn in the years following graduation. Many students still see a university diploma simply as a ticket for joining the atate bureaucratic system. Higher learning is not, or

mostly not, perceived as serving the purposes of spiritual and skills preparation to be a leading part of human resources for the country's development. Human resource utilization has not, so far, created enough motivation for knowledge acquisition in Vietnamese higher education institutions.

Teaching

Teaching in Vietnam's higher education institutions continues to be conducted mainly in a traditional way, that is, lecturers present the material verbally to students and students record what they hear. Discussion is rarely used as a means of instruction or of learning. There has been some recent debate about how to improve this situation, and two aspects of the debate have become evident. The first relates to poor teaching facilities and to deficits in staff knowledge and skills about new teaching methodologies; and the second relates more broadly to the teaching and learning culture.

Few university lecturers have been trained in teaching and learning methodologies. Most learn by trial and error, drawing initially on their own experiences as students. There has been much debate about how to reform teaching methods and the curriculum in higher education. Pertinent issues concern ways of achieving more flexibility in the delivery of programmes and stronger motivation by students to learn. It is becoming evident that what is most needed is to reduce the pressure on students by giving them more time to absorb knowledge by discovery. There is also a pressing need to create opportunities for students to put newly acquired knowledge into practice.

Perhaps more challenging is the existence of a cultural resistance to letting go of traditional forms of teaching. Vietnam belongs to the Confucian culture zone, which is dominated by values that contrast with the self-expression and secular-rational values of the West (Inglehart, 1997). Although there is a tendency towards the adoption of emancipative values due to economic and human development concerns, there remains a strong hierarchy in social relationships. In the World Values Survey (2006), it was found that 88.9 per cent of Vietnamese respondents wanted their children to be hard working, 75.3 per cent wanted their children to be responsible, but only 16.4 per cent of respondents wanted their children to be creative, and only 33.4 per cent wanted them to be unselfish.[1] Vietnam is a country with a high "power distance" culture: people in higher positions of authority want their subordinates to conform. Teachers want their students to listen to them, and students prefer to assume a passive position in relation to their teachers. Students want teachers to provide them with the "correct answer" so that they can write it down and memorize it. They defer to the authority figure (the teacher) and expect him or her to know all the answers (Thomas and Inkson, 2003: 64). This style of teaching and learning is widespread in the school system and continues to have a place in higher education.

[1] The World Values Survey was undertaken by the Institute of Human Studies in 2001 and 2006, with assistance of The World Values Survey Association.

Culturally, this is a serious problem that prevents students from being successful in an information society where each member needs to be able to think critically, solve problems and learn throughout their lives. Interactive pedagogy is the only way to help students deal with professional challenges in the future. Students need to learn ways of thinking and learning that enable them to discover knowledge independently. Changing the learning culture in universities is a difficult task. It needs time and will require considerable effort on the part of academic staff, administrators and the system of higher education as a whole.

Governance

The most serious challenge relates to governance. The efficacy of higher education has been hampered by the resilience of an outmoded and extremely conservative management mechanism, known as "centralism". This issue relates to accountability. Higher education institutions require government agencies to provide more autonomy, but most universities are not well prepared for accountability. Some initial steps have been taken towards decentralization in the administration of Vietnamese higher education, but the process is slow because of the absence of a clear schedule and the inertia created by the long existence of centralized mechanisms in higher education management (Pham, 2004). Fear of change has stalled previous attempts to reform from the top down and has constricted the space available for educators to respond to local needs and innovate at the grassroots.

The most complex and important issue in reforming higher education in Vietnam concerns the future relationship between the Ministry of Education and Training (MOET) (and other line ministries) and higher education providers. It is widely agreed that the "controlling" behaviour of MOET with respect to higher education institutions has been counter-productive because it has resulted in excessive conservatism and adherence to outdated management and pedagogical practices that discourage innovation by higher education institutions.

At the lower level of governance are questions about the functioning of individual higher education institutions. To ensure that higher education responds to social needs, some commentators have advocated a regional system of governance whereby higher education institutions are accountable to a regional board of governors that ensures that the higher education institutions are meeting their general and specific obligations. However, one could easily imagine this type of system falling into the same problem of a top-down control mechanism. Perhaps more important is to move towards a system whereby higher education institutions are accountable directly to a governing board (or board of trustees in private higher education institutions), rather than to MOET or to regional boards of governors (London, 2006).

Research

Another challenge in terms of quality relates to research and publications by academic staff. Internationally, the prestige of a university depends greatly upon

publications in international journals. The number of international publications produced by Vietnamese scholars is very small. Each year, Vietnamese scholars publish about 80 articles internationally (Institute of Scientific Information, 2006). These publications are mainly theoretical and mostly in academic areas such as physics and mathematics. Publications in the social sciences and humanities are almost non-existent. Publication in the technological areas is modest. The citation index is low, with around one to two citations for each article. The low citation rates suggest that publications by Vietnamese scholars do not interest international researchers. This situation reflects a weakness in research activities in Vietnam.

The lack of prestige of universities in Vietnam goes well beyond their poor research performance, however. A recent public debate in newspapers and the media has shown up the extent to which there is public disappointment about the quality of higher education programmes in Vietnam. Universities are responsible for more than simply training highly qualified specialists for socio-economic development. They also have an important role to play as the vanguard in intellectual exploration, the generation of knowledge and the inculcation of democratic values. As Rhodes (2004) notes, higher education makes a diffuse contribution to the public good through, for example, cultural enrichment, professional training and certification, the provision of opportunities for lifelong learning, the inculcation of democratic and civic values, the provision of opportunities for social mobility, the pursuit of fundamental research and advanced technology, the provision of advanced medical care and public health, support for agricultural development, the creation of material resources and the conservation technologies and economic development. Ideally, all higher education institutions should promote some of the issues listed above. In Vietnam, however, they are too narrowly focused on professional training and certification, to the neglect of their other roles. It is not surprising that the public is generally disappointed in them.

Foreign Languages

The lack of proficiency of graduates in foreign languages is a particular hindrance to international integration and the improvement of quality in Vietnamese higher education. Graduates from Vietnamese universities generally are not able to use foreign languages in their work unless they have taken extra studies in a foreign language course. The need for more teaching and learning of foreign languages in Vietnamese universities is a matter requiring serious attention.

Areas Requiring Renovation

Higher education in Vietnam faces many challenges. There are also policy contradictions and there are sizeable gaps between some of the goals expressed and the actual capacity of higher education institutions, individually and collectively,

to achieve them. HERA establishes ambitious objectives for modernization of the higher education system by 2020, but whether these goals are realized will depend on having feasible strategies, policies and plans of action. In the following section, some of the more significant areas for reform will be discussed.

Higher Education Governance

Governance is a complex concept. Generally, governance refers to the coordination and ordering of social activities. Any system of governance consists of formal as well as informal principles, norms and institutions. Hence, in discussing the governance of higher education, we refer to the principles, norms and institutions that guide the organization and operation of higher education (London, 2006). Traditionally, the governance of higher education has been associated with the notion of hierarchical control, usually by the state. Recently, the governance of higher education has tended more to involve top-down guidance or steering – a more cooperative model of coordination, involving both state and non-state actors. The governance of Vietnam's higher education continues to be far too much in the traditional mould.

The need for change is long overdue. In future, higher education institutions in Vietnam will have to operate with more autonomy and accountability in training, research, human resource management and finance. Controllism needs to be abolished. State ownership will be vested in governing councils. Higher education institutions will be supervised by the community, as well as by civil groups, especially professional associations. State agencies responsible for higher education, such as MOET and other line ministries, will focus on strategic issues and policy development, quality assurance, and the improvement of the legislative environment and regulations at the system level.[2]

In this new model, the state will need to govern higher education institutions through a buffer mechanism that provides for a balance between the public interest and the interests of individual higher education institutions, as was suggested by a World Bank Task Force report on higher education in developing countries (The World Bank, 2000). The buffer mechanism will need to include representation of the state, higher education institutions, the private sector and other stakeholders, including academic staff, students, employers and the community. In order to retain the appropriate influence of the state, and to help insulate higher education institutions from excessive external interference, several councils need to be established to fulfil buffer functions, including the following:

- a Higher Education Council, that allows for consultation with the government on matters such as structure, scale, finance and quality;

[2] Resolution no. 14/2005/NQ-CP, dated 2 November 2005.

- a Research Council, responsible for research funding and assessment of research results; and
- a Professional Council, or Professional Associations, with expertise across each of the subject areas of higher education, that engages in auditing newly established academic programmes and accrediting current programmes.

At the university level, as suggested by the World Bank Task Force (The World Bank, 2000), several councils will need to be established, such as a governing council and a faculty council. The governing council, or council of trustees at a private university, should be an independent body that acts as a buffer between a higher education institution and the external bodies to which the institution is accountable, such as the state and other sponsors. This council should represent the institution to the outside world, and at the same time represent the outside world to the institution. A governing council should usually be responsible for policy approval and long-term planning and monitoring the implementation of approved policies and plans at a university. A faculty council is a representative body of faculty members and should be responsible for making decisions about selected matters of academic policy, such as the programmes offered, curricula, degree requirements and admission policy. Delegation of power to the faculty council promotes shared governance by limiting the extent to which higher education institutions are run on a top-down basis.

To make these councils function effectively, the government needs to clarify their jurisdiction and operational guidelines. For instance, if the Research Council is responsible for allocation of research funds on a competitive basis, it must respect and follow bidding procedures to ensure transparency and public disclosure of results. The Council must also have full power over the allocated resources with respect to sanctioning institutions that do not observe the set procedures.

In Vietnam, a controversial issue in discussions to date concerns the relationship between MOET and higher education institutions. It is agreed that the centrally controlled governance by MOET is no longer appropriate. In recent documents, MOET has stated that it will concentrate on policy issues, including policy making and policy monitoring. According to de Rooij (2005), this is not about taking power away from an education ministry, but is instead about freeing the central ministry to focus on strategic matters. De Rooij suggests six important roles for an education ministry in a decentralized education system. These include the following:

- cooperation with other ministries in a way that does not obstruct change;
- well-developed monitoring and evaluation capabilities; decentralization and autonomy should not mean MOET loses power but that MOET can focus on strategic issues;
- the development of quality enhancement systems;
- awareness-raising activities on the importance of higher education, including systems and institutions to guide students at local level for further training opportunities; awareness raising will also help facilitate the link between education providers and employers;

- establishment of a support for high-quality institutions for training teachers and professors; and
- promotion of variety and flexibility within higher education, orchestration within and between regions; diplomas should have national not just regional value.

Internationally, there is increasing agreement that ministries of education should occupy a stewardship or orchestrating role in the field of higher education. Ministries provide broad policies and regulations and ensure accountability, but do not interfere directly in the administration of higher education institutions. MOET must allow higher education institutions sufficient autonomy to respond to their own specific needs, provided that higher education institutions meet quality standards. MOET also has regulatory roles and roles in providing "public goods" for the enhancement of higher education. This would include developing systems of quality assurance, helping to set up (but not directly overseeing) an academic accreditation board, and sponsoring programmes, processes and events that promote the development of higher education overall.

At the institutional level, higher education institutions, as Rhodes (2004), the former President of Cornell University, states, have five fundamental powers not to be eliminated, modified or reduced. These include the following:

- the power to select, amidst, instruct and certify or graduate students in fields that are represented by the institution;
- the power to select what to teach and how to teach;
- the freedom to study, explore and publish on any topic;
- the power to accept funds and create partnerships; and
- the autonomy of the institution and the independence of its governance.

Rhodes is emphatic that the erosion of any erosion of any of these responsibilities threatens the idea of university.

The Vietnamese system of academic promotions has for too long been divorced from merit. The country now urgently needs a clear career advancement system that is transparent and resistant to the arbitrary exercise of authority. Grants and promotions should be based on academic output, not on family connections and/or corruption.

Another issue of governance relates to finance. Creating transparent, logical, flexible, clearly understood rules for budgeting and accounting has enormous influence on the operation and performance of higher education institutions. Step by step, the government must allow higher education institutions to be financially autonomous, as well as being accountable. In the testing phase, a few universities have been chosen for the application of financial autonomy and accountability. These universities will be allowed to balance their financial revenues and expenditures on the basis of autonomy and accountability in matters such as academic and human resource issues.

Finally, it is time for a change in terms of views held about the differences between public and non-public providers. The question for discussion is about the

mode of funding and the changing roles of these two sectors. Assuming that quality is assured, the public and private sectors of higher education are equally important in a society. As a matter of principle, all students should pay tuition for their higher learning, or have someone pay for them. Regarding state funds, the issue here is about the kind of funding provided for students and the areas for which funding is provided. State funds should be provided for areas that promote public benefit. In contrast, students should cover their own educational expenses in cases where individual benefits are greater. The state should provide policy-granted students[3] with partial or full scholarships, as well as for students from low-income families with loan schemes.

Programmes, Curriculum and Teaching

The development of higher education programmes and curricula may be viewed in a number of different ways. Higher education may be seen as a tool for achieving certain goals, such as enhanced research capacities and human resources for socio-economic development in the face of global competition and instability. Higher education may also be seen as providing intangible but equally important social benefits, through the generation and dissemination of knowledge, development of an informed and engaged citizenry, promotion of community values and unity. The World Bank Task Force (2000) pointed to the following aims of higher education:

- produce a body of students with a general education that encourages flexibility and innovation, thus allowing the continual renewal of economic and social structures relevant to a fast-changing world;
- teach students not just what is currently known, but also how to keep their knowledge up to date, so that they will be able to refresh their skills as the economic environment changes;
- increase the amount and quality of in-country research, thus allowing the developing world to select, absorb and create new knowledge more efficiently and rapidly than it currently does; and
- provide increasing number of students, especially those from disadvantaged backgrounds, with specialized skills, because specialists are increasingly in demand in all sectors of the world economy.

Higher education programmes in Vietnam include research and professional components. The aim is to increase training in professional programmes to meet the needs of human resource development. This change has resulted from market requirements for a more practical orientation based on the need for utilization.

[3] Policy-granted students are referred to the students whose families or family members have some contribution to the society and the government provides them, according to certain policy, with some favours to recognizing their contribution.

In this case, practical skills are emphasized, and contemporary higher education programmes should provide students with skills for self-learning, flexibility and learning how to learn. HERA states a formula whereby 80 per cent of students would follow a professional education stream, and 20 per cent a research stream. Research programmes should be linked with research activities undertaken in the country and professional programmes should be based on the needs of professional employment and social requirements.

To ensure that students following professional programmes are appropriately trained, MOET and higher education institutions need to ensure that teachers have appropriate knowledge/skills and experience. They also need to ensure that institutions have close collaborative relations with the professional world and regularly conduct and disseminate survey results of employment needs; and that they develop and implement "industrial attachment" schemes that encourage students to take some time while at the university to work at an outside enterprise before returning to school for a final year. There is also a need to develop schemes that discourage non-merit-based hiring within government agencies and society more broadly, so that rewards for a professional education are not arbitrary. The curriculum should be developed to meet the needs of professional practice, providing students with abilities in business administration, financial management, information management, problem solving, foreign languages, Internet use and communication skills.

It is important to encourage or require higher education providers to equip students with more specialized knowledge. Over two-thirds of the Vietnamese population reside in rural areas and between 60 and 70 per cent derive their living in part from agriculture. However, agriculture accounts for only 20 per cent of the GDP and 90 per cent of the poor reside in rural areas. Specialized knowledge on agriculture provided for students, for example, could improve agricultural productivity, which could contribute to poverty reduction and sustainable development.

Higher education institutions have opportunities to use university curricula from developed countries. At present, there are 10 modern programmes, such as electronic-mechanic engineering, new materials, finance and banking, biological technology, electronics and communication, information technology, energy systems, chemistry, physics and plant protection, offered at nine key universities,[4] which are faced with difficulty in staffing, facilities and language proficiency. The idea of building and developing a university with international standards in Vietnam is being pursued. At present, MOET is in the process of considering alternatives and looking for partnerships and finance for its realization. With experience drawn from building key universities, scholars have agreed that governance patterns based on autonomy and accountability are important for this kind of institution.

Renovation of teaching should focus on the provision of knowledge about learning, the promotion of students' passion and desire for learning, and the utilization of

[4] A key university is a university chosen among the best higher education institutions according to indicators set up by MOET such as quality of academic staff, facilities, research and teaching prestige.

information and communication technology. Renovation of teaching is linked with the utilization of materials and the use of online discussion opportunities, spending time for fieldwork and practical work. An Agreement signed by the MOET and Massachusetts Institute of Technology (MIT) on using open courseware creates opportunities for teaching staff and students in Vietnamese universities to access progressive curricula and materials. Curricula and syllabi are developed on the basis of rich references, and students are provided with detailed study guides containing information on the subject taught, essay requirements, self-study and exercises. Opportunities for discussion are provided in the class and online.

As planned by MOET, credit programmes will be used in all higher education institutions instead of school-year programmes. The only challenge for implementation of this scheme is that of providing enough courses for students to select from every year – which will put pressure on the academic staff and could lead to financial shortages.

The improvement of programmes and curricula usually is accompanied by quality assurance measures, self-assessment and accreditation. Currently, each higher education institution is provided with assistance from MOET and other external agencies to use quality assurance procedures and instruments for quality improvement. MOET has set up a plan to have all higher education institutions accredited in the years to come.

Academic Staff Development and Appointment

Academic staff quality is generally accepted as the most important determinant of the overall quality of a higher education system. Under pressure of expansion, higher education is now faced with a serious shortage of qualified academic staff. MOET has recently proposed a scheme to ensure an additional 20,000 academic staff with doctoral degrees by 2020. Even if this programme were to be successful, there would still be a shortfall by 2020 in the number of academic staff with postgraduate qualifications.

Achieving improvements in the quality of academic staff requires the development of effective and appropriate policies for recruitment, promotion and development. Recruitment needs to be undertaken in an objective way. As the World Bank Task Force on Higher Education in Developing Countries (2000: 68) stated, "Nepotism, cronyism, and inbreeding are powerful enemies of faculty quality." The practice of rewarding length of service, rather than academic promise and performance, must be discouraged in Vietnamese higher education. Existing assessment and promotion systems do not encourage competition for better teaching and research. Evaluation of faculty teaching and research, using transparent and well-defined performance indicators, preferably involving qualified outsiders, will allow proper judgement of merit on quality and technical grounds, and will avoid conflicts of interest. The processes of promotion to associate professor and full professor levels need to be undertaken by higher education institutions themselves, with assessment by qualified professionals in the area of specialization. There is a need

also to create conditions that attract Vietnamese scholars from overseas to return to Vietnam to work in particular areas of teaching and research.

Research is a compulsory activity for academic staff. HERA states that at least 1 per cent of the state budget will be allocated to higher education institutions so that they can carry out stipulated research projects. Graduate students must be encouraged to become involved in research, under the guidance of their supervisors, and thesis or dissertation topics should be selected on the basis of the research themes being pursued by their supervisors. The establishment of research centers and the provision of research services must be encouraged.

HERA is also aiming at increasing student enrolments in parallel with quality enhancement. This can only be done by moving decisively and extensively away from a complete reliance on face-to-face teaching and in the direction of providing training programmes by distance learning with the support of information technology – as is already happening in other developing countries.

Conclusion

This chapter has discussed HERA and its challenges, and has given consideration to major areas for reform of the higher education system. HERA is clearly a very ambitious plan for higher education in Vietnam. The challenges faced are formidable, including an ineffective governance system, a serious shortage of finances and of qualified academic staff, outmoded teaching methods and an unproductive research culture. The gap between the level of expectations for the system and its current reality is huge. Of special concern is the need to change the culture of learning in higher education so that it is more concerned with allowing students to gain knowledge and less concerned with simply providing a diploma as a ticket for admission to the labour force. Achieving quality improvement in this dimension of university life will require priority to be given to the renewal of higher education governance, training programmes, curriculum and teaching methodology, and academic staff development and appointment.

In addition to the areas of reform mentioned above, facilities and infrastructures need to be upgraded to a certain level of modernity. Higher education institutions must, at least, be equipped with an effective Internet network, enough information resources, libraries, major laboratories and other basic equipment for teaching and learning. This can be done with investment from the government's budget, assistance by international loan projects or through cooperation with other partners on the market basis for shared utilization.

While international integration is not a stated aim of HERA, it is clear from various parts of the document, as well as from other policy statements, that international cooperation is viewed as a means of achieving the above aims. Promoting higher education reform involves increased development of foreign ties, increased interaction with foreign partners and increased integration through selective adoption of foreign ideas and practices. There are several provisions concerned with

encouraging foreign partners to establish higher education institutions in Vietnam, as well as to establish cooperative programmes with Vietnamese universities and for exchange of staff.

No country can ignore the forces of globalization, and the best way for Vietnamese higher education to improve its quality is by actively integrating with the international higher education community. International integration will improve the quality of higher education in Vietnam, and quality improvements in the system will enhance the prospects of even greater international integration. As stated earlier, the overriding challenge is, through a modernized higher education system, to find ways of improving the international competitiveness of the country's professional labour force.

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Chapter 5
Reforming Teaching and Learning in Vietnam's Higher Education System

Kay Harman and Nguyen Thi Ngoc Bich

Introduction

Vietnam's fast-growing economy in the aftermath of *doi moi* and its membership of the United States Bilateral Trade Agreement, ASEAN Free Trade Area and more recently the World Trade Organization (WTO) call for higher level learning and a more skilled labour force to meet the pressing demands of the country's moves to industrialisation, modernisation and global integration. Mindful of its country's socio-economic needs in the global knowledge society of the twenty-first century, the Vietnamese Communist Party and the State have placed reforming education and training, developing science and technology (S&T) skills and infrastructure and human resource development as foremost priorities in its bid to see the nation transformed into a modern, industrialised nation by the year 2020, one that could compete at the global level and develop the material and spiritual well-being of its people (MOET 2005b, pp. 1, 11). The Ministry of Education and Training (MOET) sees that these developments will lay the foundation for industrialisation and modernisation of Vietnam.

The rhetoric of socio-economic development, modernisation, industrialisation, capacity building, and national and international cooperation is being matched by special education reform programmes aimed particularly at comprehensive poverty reduction, developing human resources, reforming and modernising education systems at all levels, and building innovative information communications and S&T capacity. Feeding significantly into all of these developments are university-generated training, learning and research. It is no wonder then, that the

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last 20 years or so have seen unprecedented growth in Vietnam's higher education system in scale and scope with a marked increase in student enrolments and greater diversity of training programmes.

Vietnamese people inherited a high respect for and commitment to learning and morality in education and these represent important, deeply embedded traditional cultural values. Their country's long tradition of higher education is particularly significant in reinforcing these values, with Vietnam being the first Southeast Asian country to establish an institution of higher education – the Temple of Literature established on Confucian principles in 1076. While the values of Confucianism have taken on a distinctly Vietnamese flavour over the centuries, the reverence bestowed by the Vietnamese on teachers, scholars and mentors is plain to see (Pham and Fry 2004, p. 302).

Ho Chi Minh, fondly known as 'Uncle Ho', whose legacy is so revered in Vietnam, articulated education and training as priorities following the August Revolution of 1945 which heralded the Democratic Republic of Vietnam. As its revolutionary new leader, he wrote with great insight to students about the pivotal role learning plays in Vietnam's quest to become an equal economic and intellectual partner alongside its sister (more developed) nations. He wrote in part,

> Whether the Vietnamese mountains and rivers will attain glory and whether the Vietnamese land will gloriously stand on an equal footing with the powers in the five continents, this depends to a great extent on your studies. . . (Quoted in Pham and Fry, p. 306).

The Vietnamese higher education system is viewed as a key driver in the country's move from a centrally controlled economy to a market-led economy with a socialist orientation. Emphasis on upgrading and modernising higher education and training, increasing access to high technology, as well as building the capacity for engaging in top-quality research and research and development (R&D) are seen to be critical in stimulating innovation. These strategies, while creating enormous demands on limited national resources, are seen to help bridge the gap between developing and developed status and aid in making Vietnam more competitive in the global economy.

The Broader Scene of Modernising Teaching and Learning: Issues to Consider

Looking more broadly, a number of issues worth considering in the new era before any reforms are attempted spring from: the goals of Vietnam's Higher Education Reform (Renovation) Agenda (HERA); moves to develop learning societies; modern pedagogical ideas relevant to knowledge societies; the impact of the digital revolution; the teaching–research nexus; and the demand for more relevant skills in graduates.

The HERA Agenda

In 2005 and augmenting the *doi moi* reforms begun in 1987, an ambitious 'fundamental and comprehensive' reform of higher education aimed to have by 2020 a highly competitive, first-class higher education system of international standing 'appropriate to the socialist-oriented market mechanism' was put in train. Among the many objectives and responsibilities stated in the *HERA* document that relate specifically to teaching and learning were the following:

- develop the curriculum that supports research;
- develop 'as a matter of priority' curriculum that has a strong applied/professional orientation;
- upgrade training materials with links to research practice;
- upgrade training methodologies by introducing a diversity of learning styles, interactive teaching modes and application of ICTs to learning and teaching;
- improve the quality of master's and doctoral degrees;
- develop a new policy on teachers' terms and conditions of employment to ensure equitable workloads and opportunities for professional development; and
- develop lecturing staff with high moral and ethical standards, acceptable political ideology, high professional qualifications and modern teaching methods (MOET 2005b, pp. 2–3).

The Need to Build Learning Societies

All countries, whether industrially based or in transition, are seen to benefit from the dynamic of the learning society in knowledge-intensive economies. Building learning societies leads ultimately to a nation's citizens enjoying a better quality of life. This point is reinforced by the World Bank, which views developing advanced learning and research skills as enhancing considerably a nation's socio-economic growth and standard of living (The World Bank Group 2005, p. 1). Similarly, MOET (2005b, pp. 8, 11) acknowledges the need to build 'a learning society' where every effort should be made by all educational institutions to create opportunities for lifelong learning. Implications of emphasising the value of lifelong learning are that teaching and student learning should be focused on the needs of tomorrow, not merely on the short-term future (DEST 2002, p. ix).

University-stimulated socio-economic development plays a critical role in building learning societies by leading to new job growth as well as regional prosperity and national competitiveness in the global marketplace. In this context, knowledge and advanced skills are viewed as the 'antecedents of innovation' (Brökel and Binder 2007, p. 151). Learning outcomes can be transformed into goods and services and greater institutional capacity, a more effective public sector, a stronger civil society and a better investment climate. These points are reinforced by The World

Bank Group (2005, p. 1), which notes that high-quality, merit-based, equitable, effective higher education teaching and research are essential components of this transformation.

The Shift from the Instructional to the Learning Paradigm

Over a decade ago a growing body of scholarship portrayed a significant transition from the concept of a higher education institution existing to provide teaching instruction to one existing to produce student learning (Barr and Tagg 1995; Rice 2006). Modern higher education teaching embraces all activities and experiences that stimulate student learning. It encompasses communicating via traditional face-to-face interactions and technological means, preparation of lesson content, curriculum development, individual consultations with students (real and virtual), postgraduate supervision, provision of feedback to students and assessment of their learning. The instructional (didactic) paradigm is exemplified typically by the passive transmission of information in the lecture format where lecturers talk and students listen, a mode that does not encourage student–teacher interaction and deep learning. As the workplace that graduates will enter is vastly different now than even a decade ago, the modern college or university is encouraged increasingly by external constituencies to strengthen both undergraduate and postgraduate education, with greater emphasis on the quality of learning experienced. While the instructional paradigm may work in 'elite' university settings, it is the extension of higher education to a mass or near universal audience that determines the need for greater emphasis on the quality of teaching and the more effective use of teaching methods that produce high-level learning. Moreover, the demand for this kind of learning relates directly to the needs of knowledge economies, a fact of which Vietnam is all too well aware.

In its bid to reform higher education teaching, learning and assessment methods, lecturers in Vietnam's higher education institutions are being urged to move from passive to interactive teaching modes and systems of problem-based learning that encourage active participation of students and deeper levels of learning. Indeed, emphasised recently was that interactive teaching and problem-based learning are methods that strongly promote learners' activeness and increase their ability to participate in team work, adapt to their jobs and their future careers. Importantly, the principle of higher education training is being promoted as 'teaching how to learn' and 'learning how to learn' (MOET 2005a, p. 18).

Focusing on the learner rather than the teacher also leads to new expectations for how teaching faculty will enact their roles. Rice (2006, p. 16) talks of the need for the 'unbundling' of the traditional role, a change that poses a serious challenge to the holistic conception of the teacher-scholar ideal rooted in a collegial culture where peer review and self-monitoring are the norm. Faculty members now need to know how to support and advise students, how to facilitate learning through applying a range of innovative learning processes and be able to link learning with life experiences and service in the community.

Advances in Technology

The impact of the digital revolution with its fast-developing information and communication technologies (ICTs), liberating learning from constraints of time and space, has been the single most force in changing traditional forms of teaching. Teaching and learning are now continually being challenged by technology-driven, borderless education using e-learning with on-line interactive teaching modes to meet the new and developing needs of a more diverse student population globally as well as locally. Traditional face-to-face delivery modes are being challenged by more flexible multi-media approaches which add value to lifelong and distance learning and expand the webs of learning available in a global context. Importantly, as changes in technology and increases in off-campus teaching and flexible delivery modify the teaching role, teaching faculty are now expected to be familiar with ICT advances, computer-assisted learning and on-line delivery.

Implications of these advances are that appropriate training needs to be provided in these areas if institutions are to attain the highest quality in teaching and learning, curriculum design and assessment practices. As so much more new information is being generated and disseminated more quickly than ever before, there is a critical need for lecturers to continue acquiring new skills, develop new mindsets and practices and expand their knowledge bases throughout their careers. Teachers who are flexible, possess a capacity for continuous learning, keep up to date with and regularly practise modern teaching methodologies and new ways of communicating ideas and practices through use of electronic and other means will be well placed to adjust to future teaching and learning demands.

The relationship between globalisation, ICTs and the knowledge society is an intricate one. It is only via the rapid development of ICTs that globalisation has become the force that it is. The Internet, email and up-to-speed software and hardware allow instant access to information on just about anything from just about anywhere in the world. In this sense, knowledge transcends international boundaries creating a huge knowledge global network which can be accessed by individuals. This development has massive implications for the whole nature of learning where teachers can no longer be viewed as the sole keepers and imparters of knowledge. Importantly, students can access knowledge independently of their teachers. Hence the need for students to possess the necessary critical skills to enable them to assess the value of that knowledge.

Emphasis on Research-led Teaching

Apart from attempts to match training and research activity closely with socio-economic development, the first aims of university research in transition economies such as Vietnam are typically to improve the quality and relevance of teaching and integrate research into teaching (Lam 2005b, p. 1). Scott (2004, p. 2) points out that in the policy domain teaching and research are being driven apart by funding regimes but in the intellectual domain they are becoming 'increasingly

interwoven'. He goes on to argue that teaching and research are both 'heterogeneous activities that overlap' and provides three reasons why they need to be linked.

1. The traditional argument that academics need to be engaged in their disciplines to be effective teachers;
2. Student research projects need evidence-based practice and policy (teachers need to be good role models for their students); and
3. The impact of the Knowledge Society and the growth of 'intelligent' or learning organisations.

Scott (2004, p. 14) argues further that integrating research into teaching also helps to 'validate the university's academic authority' and 'excite the intellectual imagination of students'.

Good teaching which draws on disciplinary expertise, professional experience and is continually 'revitalised' by research and scholarship is especially valued for fostering quality learning outcomes (AVCC 2002, p. 1). This position holds that teachers are (or should be) at the forefront of knowledge and are actively engaged in scholarship and research, teaching and learning must be research-led and curricula-designed that reflect a research-based approach to learning (Anderson et al. 2002; Kreckel 2002; Jenkins et al. 2003; Harman 2005a). Research-led teaching is seen to provide up-to-date knowledge on curriculum development, lesson content and assessment, encourage inquiry/problem-based learning and inform teachers better on how students learn effectively and how particular teaching methodologies encourage deep learning. This implies that teachers must make decisions about curriculum, teaching pedagogy and modes of assessment on the basis of well-informed research and scholarship.

The relationship between teaching and research has been portrayed in many different ways. Four main ways this relationship is viewed are the following:

1. *research-led teaching* – teaching and research occur in the lecturer's research area;
2. *scholarship-informed teaching* – teaching, curriculum development and lesson content are consistently informed by critical analysis of scholarly research carried out by others;
3. *research-informed teaching practice* – research is carried out on pedagogy and teaching methodology; and
4. *teaching-led research* – teaching raises problems to research and shapes practice (Harman 2005a, p. 8).

Scholarly literature also indicates that teachers need to be intellectually engaged as learners who acquire knowledge through research and scholarship. This teacher-as-learner concept necessitates a need for research training 'that enables judgments to be made about appropriateness of methodologies, robustness of evidence and soundness of conclusions displayed in research by others. . .to judge the validity

of those claims' (Brown 2002, p. 5). So, as well as needing to be active learners themselves, teachers as facilitators of learning must develop teaching skills based in the research, scholarship and the pedagogy of their discipline.

While arguments persist over how close the relationship is or needs to be between teaching and research (Hattie and Marsh 1996; Elton 2001; Scott 2007) and while some teachers are clearly not active researchers, a forcefully defended academic value is nevertheless that students should be taught by experts in their respective fields of research. Problems typically experienced by institutions with teachers who are non-researchers are that those who do not engage in research often use outdated knowledge, are limited to merely using knowledge generated by others and are constricted in scope and range of teaching skills. These problems are highlighted in the report, *The Boyer Commission on Educating Undergraduates in the Research University* (1998, pp. 1–2), which argues that the teacher-as-researcher or 'scholar-teacher' moves from a base of original inquiry and that students should be taught by those who discover, create and transmit insights about subjects in which they are the experts.

Implications for teachers in both developed and developing countries are to continually upgrade their learning and engage in research and scholarship so that what they teach is keeping pace with developments in a global context. Particularly important is being given the opportunity to generate new and innovative ideas through long-term strategic research and applying their research to their teaching (Harman 2005a, p. 2).

Pedagogical Considerations

The building of a more diverse higher education system in Vietnam implies the need for substituting outdated teaching methods with a broader range of pedagogical practices. A strongly defended pedagogical principle in the scholarly literature is that of teacher as facilitator of active and 'deep' learning. Criticism from Western cultures is aimed increasingly at the image of the teacher as the revered scholar with the 'sole or primary source of knowledge' as is the case in many Asian cultures where the relationship between student and teacher is typically formal and hierarchical (Nguyen and McInnis 2002, p. 152). These practices are seen by pedagogy experts to stifle creativity and reinforce passive learning, quite the opposite to the idea of teacher as facilitator of learning. Recent changes in Vietnam, however, have been introduced based on inquiry-based learning and some examples of these are provided later in the chapter.

Student-centred learning is another deeply embedded pedagogical principle in academia. Student-centred teaching that results in students acquiring higher order analytical, behavioural, problem-solving and decision-making skills is strongly supported as this method is deemed to encourage the kind of learning needed by modern economies, especially critical and creative thinking. Significantly, the World Bank (2007, p. xx) views student-centred learning as having the capacity to be more inclusive of students coming from disadvantaged backgrounds. Inclusiveness is a very

important socialist principle which affords marginalised groups in society the best possible opportunity to access higher education.

A third forcefully defended pedagogical principle is that 'deep' learning should replace 'surface' learning. Good teachers encourage deep learning which builds on the intrinsic interests of the learner, is inquiry/problem-based and seeks the interrelationship of new knowledge with existing knowledge. Surface learning (memorising or rote learning) is discouraged as this method merely encourages passively storing and processing information rather than synthesising, evaluating and analysing. Teaching that facilitates inquiry-based learning, adopts an interactive mode of teaching that encourages problem solving and questioning will ultimately be more successful in ensuring high-level learning outcomes. The Boyer Commission (1998, p.1) adds that inquiry-based learning possesses an element of reciprocity – faculty learn from students (the learner-teacher concept) as students learn from faculty.

Building on these principles, lecturers who are most likely to assure high-quality outcomes are seen to be those who:

- ground their teaching in research, scholarship and professional experience;
- are committed to scholarly values that support teaching and assessment methods and student learning;
- provide a supportive environment that fosters inquiry-based, deep learning;
- are able to apply a range of teaching modes, assessment procedures and the latest technological advances to their teaching;
- keep up-to-date with developments in their discipline and/or profession, pedagogical advances and integrate this knowledge into their teaching;
- specify learning goals clearly and unambiguously;
- draw on students' interests and life experience;
- link theory and practice in real-life situations;
- encourage students to take control of their own learning;
- have a commitment to lifelong learning;
- communicate enthusiasm for what they teach and foster in students respect for their discipline, curiosity and critical inquiry; and
- provide constructive and timely feedback on achievements and progress (adapted from AVCC 2002, p. 5).

Demand for More Relevant Graduate Skills

In the twenty or so years since *doi moi* marked by a growing industrial base aimed to engage more with global markets, Vietnam has steered its economic transition (renovation) from a command economy into a regulated market economy. Doing so has generated a growing need for graduates with relevant skills. There has been a particular demand for 'industry ready' graduates with a broader range of high-level and adaptable skills. Skills of particular relevance needed are critical thinking, initiative and enterprise, information literacy, planning and management skills, capacity for lifelong learning and self-learning, and flexibility in preparing for jobs yet to

be envisaged and for adapting to multi-disciplinary contexts. Developing foreign language and business skills are also seen to be critical in countries like Vietnam in transition to a new order. However, comparatively low R&D capacity and financial constraints indicate that Vietnam's higher education system is not yet ready to cope with the growing and fast-changing demands of a rapidly expanding economy (World Bank 2007, p. x).

In Vietnam's new socio-economic order, graduates are not necessarily being trained for local needs only but many go on to seek work in international spheres (Nguyen and McInnis 2002, p. 157). In this context the World Bank reinforces the urgent need in Vietnam for greater institutional diversity which displays a wider variety of instructional methods, curriculum offerings and pedagogical techniques and student-centred approaches that encourage thinking critically and creatively. Success in these areas, the World Bank suggests (2007, pp. xx–xxi), fit more closely with the needs of modern, knowledge-intensive economies.

In the rebuilding and modernising of Vietnam's higher education system, it is acknowledged by many of the country's senior educators that the foremost aims of research in their nation are to improve teaching quality and link teaching activities and training closely with the social and economic needs of the nation (Lam 2005b, p. 1). While these are noble and necessary aims in a fast-developing economy, how they will be realised via a rigorous and visionary strategy supported with appropriate levels of financial, human and technical resources is, however, yet to be worked out. The country is sharply aware of the need to address these challenges as the *Higher Education Reform Agenda (HERA) 2006–2020* indicates but appropriate strategies with matching resources need to follow.

Hurdles to Overcome in Reforming Teaching and Learning

General Weaknesses

The biggest weakness of the higher education system is claimed by MOET (2005b, p. 12) to be the system's inability to develop human resource capacity to meet the needs of industrialisation and modernisation. The ministry stresses that the country has not caught up with economic reform and the requirements for international integration. This, it claims, is partly because the system is confounded by:

- poor quality of training and poor qualifications of academic staff;
- subjects being too theoretically focused and not linking with market needs;
- an imbalance in the labour force between supply and demand;
- such a low percentage going on to higher education – only 10% in 2005;
- research activities in higher education institutions being paid minimal attention because of a strong orientation to teaching, not research;
- limited resources;

- rigid, inflexible curricula; and
- management of higher education reflecting more the former command economy rather than the socialist-oriented market economy (adapted from MOET 2005b, pp. 12–13).

In a similar vein Lam (2005a, p. 8) points out that research demonstrates a number of weaknesses in Vietnam's higher education institutions:

- Curricula do not meet needs of society – they are too 'academic';
- Curricula do not pay enough attention to 'social and humanity aspects';
- Teaching methods are 'backward' – teacher-directed, 'closed' and inflexible;
- Teachers' mindsets are slow to change; and
- Heavy teaching loads leave little time for preparing lectures and updating materials.

The MOET acknowledges the need to increase the number of teaching staff to ease the high student/teacher ratio and to introduce long-term contracts, better working conditions and welfare benefits to increase teachers' job satisfaction. It also acknowledges the need to upgrade the knowledge and practices of teaching staff (MOET 2005a, p. 6).

Another issue is that all too frequently Vietnamese university graduates lack the kind of practical expertise which helps the workforce to develop skills needed for innovation and technological development. There is not yet a tight fit between subjects of study and industry needs, especially as most students are in the social sciences and humanities areas and not in the most needed S&T fields (Ca 2006, p.12).

Other factors that impede attempts to modernise and reform teaching and learning include the following:

- The persistence of the Soviet model of separating research and teaching by,
  a. researchers in national institutes being isolated from training activities and the real demands of national social and economic needs; and
  b. universities traditionally being more teaching oriented.
- Teachers often teach outdated curriculum and text books that are too narrow in scope.
- Too many teachers are too limited in scope and range of teaching skills.
- Central control over curriculum and textbooks are too constricting in a developing market economy.
- National policies aimed to influence pedagogy have not necessarily improved teaching methodology.
- Teaching methodologies do not encourage deep learning through interactive modes.
- There is less emphasis on student learning and more on didactic-style teaching.

- The 'credit learning system' has not facilitated new forms of instruction as envisaged and has slow to implement.
- Most lecturers have not been trained to teach but learn by trial and error and cultural resistance to change is an obstacle. Lecturers lack the skills and resources in order to take advantage of technological progress in teaching and learning modes.
- Poor conditions such as high teaching loads and lack of proper office space act as disincentives to take on research roles.
- The 4-year undergraduate curriculum framework with its six general knowledge areas in the first 2 years and development of specialist knowledge in the next two, results in heavy teaching loads for lecturers.
- A large percentage of faculty do not possess postgraduate qualifications or research training.
- Those with higher research degrees who take on academic roles often find that there is too little time for engaging in research and training new researchers.
- Because salaries for teachers are poor, more teaching is carried out which brings more income for lecturers and, in turn, more teaching means little or no time for research.
- There are not many incentives for teachers to become researchers and research opportunities for young lecturers are few as they have limited access to state budgets for research.
- Despite the rhetoric of 'student-centred' education, curriculum is decided centrally and students have little or no opportunity to select elective subjects.
- Limited resources and equipment have prevented serious research from taking place. Infrastructure support such as modern teaching facilities, high-grade computing availability, and up-to-date laboratories, workshops and equipment is lacking.
- Researchers in universities have not been paid enough attention (Harman 2005b; Hayden 2005b; Lam 2005a; World Bank 2007).

As well as a shortage of learning materials and passive, outdated teaching methods, poor lecture preparation and time students spend in lectures do not compare favourably with many developed countries. Students typically get less than 1 hour for lectures that receive little preparation, whereas students in many developed countries normally receive 1 hour of lectures which demand 2 hours of preparation time (Lam 2005a, p. 7). Moreover, as alluded to above, apart from higher education still being bound to an outdated Soviet-style system that receives inadequate support from the state, salaries are so low for teachers in the public sector that they are forced to 'moonlight', often taking on additional teaching jobs or running a small business, which in turn leaves less time for them to engage in quality improvement strategies and research (Altbach 2005, p. 1).

An even greater challenge for academic staff set in their ways will be adapting their mindsets to more interactive styles of teaching and learning. In Vietnam Confucianism vies with Western values and the superordinate/subordinate relationship between teacher and student is still very much alive. Students defer to the

'wisdom' of the teacher, expect them to provide all the answers, memorise what they are told and regurgitate this information when required. No independent thinking is required. This passive style of learning prevents students from performing creatively and independently in an information society where the skills of critical thinking, problem solving and learning how to learn throughout life are so crucial.

Training Challenges

Observing teaching practices in higher education institutions in their own country, more innovative Vietnamese higher education teachers are critical of embedded pedagogical and training practices that stifle student learning. They argue that the system needs to address in particular the practices of:

- Instructors placing more emphasis on teaching and not developing the mutual relationship between the teaching and the learning process, i.e., 'training' and not learner-centred teaching is promoted;
- Teachers paying too much attention to results instead of quality management and improvement; and
- Teacher-training programmes using outdated curriculum and pedagogical approaches, especially in preparation of teachers in higher education.

Since 1945 the teacher-training system in Vietnam has followed a typical model – training specific-subject teachers at the pedagogic colleges in 3- or 4-year programmes. Subject knowledge has been taught together with science of education and pedagogic methodology, albeit these are integrated and taught by one instructor. This kind of training which has prevailed has led to a narrowing of knowledge in the teaching field as the teachers are trained to teach only a specific subject and to use only the course books provided and a lack of flexibility in teaching methods owing to the curriculum-based approach in training.

To address these challenges, the Faculty of Education at the Vietnam National University (VNU), Hanoi, established the first interdisciplinary model of teacher training in the country. The Faculty has trained teachers for higher secondary level based on the 3+1 or 4+1 models. For the model 3+1, teacher-students study 3 years equally with other students in academic field departments (Maths, Physics, Chemistry, Biology, Literature and History). In the last year, they mainly study education and pedagogy knowledge and skills. The main feature of this model is that teacher-students are trained first, both in depth and breadth in a certain academic field. Second, this is followed up with training in pedagogic methodologies for teaching in that field. In this way, the teacher-students can potentially become both a good teacher and a researcher.

The Faculty has applied and implemented a variety of effective teaching and learning approaches to improve the quality of training in teacher education as well

as teaching in higher education. Owing to the requirement of MOET that all college/university instructors must obtain a certificate of teaching in higher education as part of their pedagogical development, the VNU Faculty of Education was invited by colleges and universities across the country to train and issue the certificate for teaching in higher education, developments which are most encouraging.

Financial Challenges

Many of the challenges confronting Vietnamese higher education stem from the fact that Vietnam is a poor country. While the current economy is booming, at the turn of this century GDP per capita was low, poverty persisted in many of the more isolated provinces, malnutrition rates were high amongst children and access to higher education was problematic for certain social and cultural groups (Tran and Nguyen 2000, pp. 234–235). Many of these problems still persist and 'shortcomings' in the state budget have not helped to address these problems (Nguyen and McInnis 2002, p. 151).

Other financial considerations relate to the rapidly increasing demand for higher education training since *doi moi*. The once established idea that higher education was reserved solely for the privileged elite (who were educated at a very high cost) soon vanished and access to higher education is now open to a wider population. As indicated by the World Bank (2007, p. x), in 2007 there were 1.3 million students enrolled in 230 higher education institutions, a significant increase from the 162,000 students enrolled in 110 institutions in 1993.

Other financially related concerns centre on improving quality of provision, relevance of the curriculum for local and global needs, realising social equity goals and diversifying the system to allow each higher education institution the opportunity to develop its own distinctive mission (Nguyen, Loc, n.d., pp. 1–3).

Facing all these challenges, Vietnam is caught in a situation in which it is not yet ready to respond (World Bank 2007, p. x). The country is caught between the competing demands of enrolling ever greater numbers of students and at the same time wanting high-quality outcomes. Many factors, however, are working against the vision of attaining high quality.

Demand for Quality

To meet Vietnam's growing socio-economic needs, enhancing the quality of human resources is viewed of critical importance. Local observers see the necessity of improving the qualifications of teaching staff, ensuring that they possess high moral standards and acceptable political ideologies as well as good health. Implementing quality assurance measures for assessing and enhancing the quality of training delivered are seen to be vitally important. This way, Vietnam will have the talent and expertise necessary for successfully integrating its higher education system into other systems at the regional and international levels (Nguyen, Loc, n.d., p. 4).

Change in the higher education system has been slow not only because of shortcomings in the state budget but more importantly because of lack of properly designed and implemented quality appraisal policies. Many university lecturers show reluctance to respond to MOET's demand to improve the quality of their teaching. As noted by Nguyen and McInnis (2002, p. 151) '. . .the lack of incentive results in a reduction of the quality of the work of academics, their dedication, and their performance in general'.

Quality is also affected by high student/staff ratios. These are high not only by international standards but by comparison with other Asian nations in transition. Indeed at 30:1, Vietnam's ratio is the highest overall in its region as indicated in Table 1.

There are institutional variations and the private fare better than the public institutions but the ratio is acknowledged officially as unacceptable. Although in 2005 the prime minister urged for this high ratio to be reduced to 20:1 by 2010 (Decision 09/2005/QS-TTg, 11 January), the goal has not been realised as no resources such as extra teaching staff or incentives have been forthcoming to help resolve the problem. Indeed, the problem is likely to worsen with enrolments increasing at an exponential rate (World Bank 2007, p. 30).

Another quality challenge lies in introducing widespread use of appraisal of academic teaching by students and peers. It is argued, however, that even where student appraisal is practised, the validity of student perceptions is questioned by academic staff who are not confident that students possess 'independent thoughts, perception[s] and evaluations' (Nguyen and McInnis 2002, p. 156).

Other threats to quality are that: the number of professors and lecturers is inadequate given that the ratio of student–teacher is around 30:1; ageing teaching staff pose problems (Tran 2006, pp. 12–13); and the practice of 'moonlighting' mean that little time is left for staff to engage in research, technology development or other learning activities.

Another quality issue needing to be addressed is that of the number of academic staff who are poorly qualified and overburdened with heavy teaching loads. Many of them received their qualifications in former Soviet bloc countries and have had few chances to upgrade their skills. Table 2 indicates the limited qualifications of teaching staff.

Table 1 Student/staff ratios in four countries

Country	Student/staff ratio
Philippines	23:1
Malaysia	20:1
Indonesia	15:1
Vietnam	30:1

Source: UNESCO Global Education Digest, cited in World Bank (2007, p. 28)

Table 2 Vietnamese academic staff by qualification 2001/2, 2001/2

Qualification	Staff numbers 2000/1	Per cent of total 2001/2	Staff numbers 2001/2	Per cent of total 2001/2
Doctoral degree	4,454	18.28	4,812	19.75
Masters	6,596	27.07	7,583	31.12
Professional qualification	569	2.40	586	2.40
Uni/College qualification	12,422	50.73	12,361	50.73
Other	321	1.31	204	0.83
Total	24,362	100.0	25,546	100.00

Source: Welch (2007, p. 46)

At this time less than 20% of academic staff in Vietnamese higher education had a doctoral degree and only 31% a master's degree.

Finally, those institutions still holding to the logic of the instructional paradigm that reinforces passive learning are faced with a significant dilemma in the context of diminishing resources alongside the ever-increasing quest for quality. Moreover, the struggle to increase quantity and quality of outputs without a corresponding increase in resources poses a real threat to quality.

Impact of a Socialist Curriculum

While the principles of market economics are now used to serve the nation's drive for industrialisation and modernisation, Marxist-Leninist political-socialist studies that include History of the Communist Party, Marxist-Leninist Political Economy, Scientific Socialism and Ho Chi Minh Thought remain compulsory for all students. As one observer notes, the socialist versus capitalist market principles contradiction remains to be addressed if Vietnam is to integrate into a global economy:

> Vietnam is probably the only country in the world that both embraces market economics and adheres to Marxism-Leninism. How can an education system, guided by two contradictory philosophies develop in a consistent manner? (Tran 1999, p. 2).

The value and relevance of the compulsory study of Marxist-Leninist teachings in a newly emerging market economy have been questioned in modern Vietnam on several occasions since (and even preceding) *doi moi.* Common criticisms are that Marxist-Leninist studies are out of sync with the needs of contemporary Vietnam and methods of teaching these subjects are outdated. However, any such questioning or suggestions for amendments to the Marxist-Leninist curriculum offerings have been met with a forceful defence by party officials who argue that any attack against continuing such study is essentially an attack against the socialist fabric of Vietnam. It needs to be acknowledged, however, that the number of hours these subjects are

taught has nevertheless been reduced since the collapse of the Soviet bloc in Eastern Europe and the impact of *doi moi*.

Other Curriculum Challenges

Although the aftermath of *doi moi* has seen many key policy decisions made independent of state central, curriculum for both public and private higher education is nevertheless set centrally by MOET as determined by Article 41 of the 2005 Education Law (World Bank 2007, p. 26). The Minister of Education and Training has authority to prescribe the curriculum framework for all undergraduate courses including number of courses, content of subjects, duration of training, time allocation for studying and practising (Hayden 2005a, p. 17) and recommending textbooks.[1] Assessment also follows strict MOET guidelines of a 10-point grading system and a suggested distribution curve. Moves to establish new training programmes must seek approval from the respective ministries. All of these patterns go against international trends of allowing institutions flexibility in determining training programmes based on the belief that the market is a more successful mechanism than central planning for such decisions.

The learning unit (credit) system, which attempts to achieve greater flexibility and to ease transfer between institutions, is practised in most universities. Although aiming to present taught courses in modularised units allowing for some electives to be chosen by students, the way the system has been taught still reflects much of classical tradition where the curriculum was organised around specific programmes with little deviation allowed and students stay together in the one class during the whole period of their award course (World Bank 2007, pp. 27–28).

Strategies to Develop Teaching and Learning Capacity

According to Vietnam's Education Law Article 5.2, methods of education must be able to demonstrate that they: bring into full play the activeness, the consciousness, the self-motivation, and the creative thinking of learners; and foster the ability of self-study, practical application, learning eagerness and the will to advance forward. MOET considers innovation of curricula, training of teachers and renovation of management systems as the major strategies in upgrading teaching and learning. In its discussions with international partners/donors, MOET (2008) mentioned five priorities for the wider education spectrum:

i. Develop teacher quality and management skills for school and university managers;

[1] The two national universities need not comply with these determinations but evidence suggests that they are reluctant to exercise autonomy on these matters (World Bank 2007, p. 27).

ii. Move education from being supply-based to being demand-driven and moving supply-based training to demand/need-based training;
iii. Increase the efficiency of the whole education system and modernise it in a cost-saving manner;
iv. Re-design the financial mechanism in the education system for the effective use of the state and private budget; and
v. Introduce quality indicators in management; evaluating the quality of the whole system and introducing quality assessment for primary and secondary levels.

Management strategies flagged by MOET (2006) aimed at quality improvement in higher education teaching and learning include the following:

i. Reorganise public higher education institutions by conferring on them legal autonomy in their operations, giving them the right to decide and be responsible for training, research, human resource management and budget planning; and
ii. Eliminate line-ministry control and develop a mechanism for having state ownership represented within public institutions; ensure community-based monitoring and evaluation, involving unions and community groups especially in monitoring and evaluating higher education quality as it relates to career orientation.

In current practice, there are gradual moves to replace the passive term 'students' (*sinh vien*) with the active 'learners' (*nguoi hoc)*, and likewise 'teaching' (*giang day*) with 'teaching and learning' (*giang day va hoc tap*), and to change old ways of thinking about philosophy of education. Teachers and educators are being encouraged to understand the mutual relationship between teaching and learning activities in the educational process/cycle. Teachers are also being encouraged not to come to the classroom to purely 'teach' but to know how the learners can learn and what they can achieve after each teaching period of 45 minutes. Active or indirect teaching and learning methods are being introduced, such as group work, problem-based teaching and learning, case-study projects and research-based teaching and learning. Use of technology is also being introduced and applied to improve effective teaching and learning outcomes. In short, the 'one-way of teaching' tradition is gradually experiencing an innovative shift by the introduction of updated curriculum and emphasising new forms of evaluation and assessment. Also, by moving from 'school-year training' to a credit-training system should help to provide more flexibility in the system by focusing on learners' needs and improving independent study, research abilities and critical thinking.

Some strategies to upgrade the knowledge of teaching staff in universities that have been adopted by the MOET include the following:

i. training abroad programmes; and
ii. relationship building between universities in the same region and overseas so that teachers could experience practices in other universities and other countries.

New academic programmes, structures and partnerships have been forged with overseas universities. This expansion has built up qualified staff capacity for teaching programmes in English and boost reputation as institutions of international quality and status. MOET (2005a, p. 7) warns, however, that if these developments are to be successful, then universities will need to develop policies that will attract staff from research institutes, and business, manufacturing and management sectors to participate in teaching. In addition, foreign experts and Vietnamese who have trained and are living overseas could be attracted to teach.

Another strategy that has been adopted is the establishment of certain kinds of cooperative ventures between universities. This encourages universities to expand bilateral cooperation in their regions by co-sponsoring courses, student exchanges and lecturers sharing their experiences across national and international boundaries (Harman 2005a, p. 7).

The World Bank-supported Quality Improvement Grant (QIG) scheme in Vietnam has certainly allowed universities to plan more effectively, build up infrastructure, and develop better quality teaching, learning and research training facilities. QIGs allowed universities to:

- Engage in staff training in new areas and establish innovative and effective 'training frameworks' that included using simulations, software, pilot classes etc.
- Upgrade library systems, hardware, laboratories, teaching materials etc.
- Establish centralised library systems (efficiencies have been gained by networking and sharing resources).
- Develop or strengthen ICT capacity and provide greater access to computers for staff and students.
- Enhance IT infrastructure and applications in teaching, research and management.
- Send students and staff on study tours overseas for gaining and adapting new knowledge and skills.
- Set up new education centres using international consultants for introducing modern teaching ideas and methods in the move from passive to interactive learning.
- Develop new teaching materials – textbooks, multi-media, CDs, websites etc. (Harman 2005b, pp. 1–2).

However, funds granted to Vietnam by the World Bank for quality improvements via QIGs in universities have gone largely into building or upgrading classrooms, libraries, laboratories and other educational facilities.

The Teaching and Research Innovation Grant (TRIG) scheme aimed to build on the improvements made under the QIG scheme, should go some way to address a number of the much needed changes to teaching, learning, curriculum development and building up research capacity. However, further strategies will need to be put in place to ensure the continual sustainability of the changes made under these schemes when the funding dries up.

Various policy instruments have been used by the World Bank (2002, p. 104) to stimulate performance and enhance the quality and relevance of teaching in a number of developing countries. These include well-designed competitive funds, accreditation mechanisms and management and information systems.

A good example provided by the Bank of a successful competitive fund to develop teaching programmes is The Engineering Education Fund in Egypt which transformed the traditional engineering degree into more applied programmes that link closely with industry. In Jordan a similar fund is available to teachers in S&T fields and an operations manual has been devised. Also, Brazil, Mexico and Venezuela are developing human capital in S&T through competitive funding. In all these funding programmes international peer review experts play a prominent role in assessing the quality of proposals (Harman 2005a, p. 6).

Distance learning, introduced in the early 1990 s, has produced some benefits, especially for students living in remote or mountainous regions. However, technology networks are weak, facilities are often poor and the cost of servicing Internet infrastructure is very high. Developing the country's ICT capability in accord with global trends will contribute largely to distance education provision. Investing this way is critical if Vietnam is to survive and compete in the knowledge-intensive society (Pham and Fry 2004, pp. 324–325).

Discussion

Vietnam is a country with huge but unrealised potential, and as Pham and Fry (2004, p. 301) indicate: 'The country's success in realising its economic and intellectual potential will depend on improving both the quality and efficiency of its university system.' Part of this improvement lies in modernising and enhancing the style, scope and quality of teaching and learning. It is a positive sign to see that major goals of HERA are improving curriculum and teaching methodology and integrating research into teaching. It is also encouraging to see that MOET requires all college/university instructors to obtain a certificate of teaching in higher education. But while much has been accomplished, much more needs to be done.

Because not many academics in Vietnam's higher education institutions have higher research qualifications, there is an urgent need to invest in their careers, especially if it is envisaged that they engage in research. While HERA expresses the strong desire to increase the research role of universities, nothing is mentioned about how this will happen or what resources – human, financial or technical – will be made available. These issues need to be addressed urgently as the World Bank (2007, p. 39) makes clear, 'The government will need to clarify how universities should increase their research capacity if the ambitious goals of HERA are to be attained.' The goals of HERA are indeed noble, ambitious and optimistic given that achieving them in 15 years is envisaged. As other Asian nations have taken much longer, it would pay Vietnam to seek out the strategies taken by their Asian partners in realising the goals of building strong higher education systems.

According to UNESCO (2007, pp. 2–3), higher education in Vietnam needs to focus on four 'basic renovation issues' in the context of globalisation following the country's joining the World Trade Organization (WTO) in December 2006. These issues comprise the following:

- Renovate educational concepts, theoretically resolve the conflicts between humanities and professionalism, between educational concepts and market, academic values and economic demand of higher education;
- Reform the thinking and management modality towards higher education;
- Increase investment in higher education with the variety of funding sources; and
- While receiving cross-border education, maintain traditional values, national identity, learner protection and improve the competitiveness of Vietnam higher education itself.

In this context, outdated, passive rote learning methods are no longer appropriate if Vietnam is to embrace the demands of the global information-knowledge economy and move more comprehensively to a market economy. Neither do 'ivory tower' curricula that stifle creative thinking and fail to produce students who can apply academic knowledge to real-life situations meet the urgent economic and social needs of the new economy.

In order to enhance quality and build research capacity in teaching and learning, there is a clear need in Vietnam's HEIs to upgrade lecturer qualifications with postgraduate research degrees, raise salary levels, reduce teaching loads, offer incentives for lecturers to become research-led teachers, and encourage staff development training programmes in particular priority areas such as developing skills in research methodologies, pedagogy, using new technologies, curriculum development and assessment procedures. Curriculum improvement needs be matched with quality assurance mechanisms, especially in assessing teaching and learning, lesson content, textbooks and assessment procedures.

Some strategies that could address some of these needs and lead to developing capacity in teaching and learning are engaging in collaborative ventures with regional and international universities on 'best practice' teaching, joint-sponsored courses and staff and student exchanges. Other strategies could include benchmarking teaching performance against completions, drop outs, student satisfaction ratings and employability of graduates; developing a database of indicators of quality performance; sending teachers abroad on training programmes; attracting highly trained foreign experts and Vietnamese living overseas to share their teaching and learning 'know how'; attract staff from research institutes, industry and business to teach; seek funding for teacher development grants; and build strong research cultures that support the teaching enterprise. The latter would need to concentrate on building up postgraduate numbers in the system as currently the higher education system focuses overwhelmingly on teaching undergraduate students.

It is encouraging to note that a key aim of the Vietnamese government is to develop lecturers as practitioners who can use innovative teaching methodologies

that promote inquiry-based and student-led 'deep' learning. Priority areas marked for change by the government are developing lecturers' skills in teaching methodologies and pedagogy, as well as their abilities to use innovative technologies to aid learning, curriculum development and assessment procedures. To some extent this is happening as the case of the 3+1/4+1 model of teacher training exercised by VNU testifies. A related aim is to build strong links between teaching, learning and research in order to ensure that both delivery and outcomes are research-led. If these aims are to be realised, however, many obstacles will need be overcome, especially as the nation aspires to develop a small number of 'world-class universities'. Thus, it will be of vital importance for resources to be directed to strategies aimed specifically at realising the desired goals. Because of state budgetary limitations, however, priorities will need to be set.

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Chapter 6
The Research Role of Vietnam's Universities

Grant Harman and Le Thi Bich Ngoc

Introduction

This chapter provides an overview of the research role of Vietnamese universities. It sets university research activities within the context of Vietnam's public sector research organisation and recent industrial development, paying particular attention to research funding, research personnel, research outputs and postgraduate training. While the Vietnamese government has set ambitious targets to enhance research and development (R&D) and university research as part of its overall objective to achieve industrialised country status by 2020, university research capacity is severely limited, although small numbers of universities in recent years have made impressive progress.

The government's science and technology (S&T) development strategy issued in 2003 clearly states that, in order to achieve the objectives of modernisation and industrialisation, S&T will need to 'contribute an important role in promoting the country's socio-economic development'.[1] The following year structural reforms were announced to encourage greater research training cooperation between industry, universities and research organisations.

More important from the perspective of university research was the Higher Education Reform Agenda (HERA) issued in 2005 that set out detailed planning objectives for higher education for the period 2006–2020, with the explicit aim to create a higher education system that by 2020 is 'advanced by international standards, highly competitive, and appropriate to the socialist oriented market system'.[2] Specific objectives include ensuring that 'by 2010 at least 40% of teachers have master's-level degrees and 25% a doctoral degree, and by 2020 these figures . . .[will be] 60% and 35% respectively'; increasing S&T activities being carried out within

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[1] Ministry of Science and Technology, Vietnam Science and Technology Development Strategy by 2010, Hanoi, 2003.

[2] Resolution no. 14/2005/NQ-CP, dated 2 November 2005.

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universities; developing key higher education institutions into major scientific centres for the entire country; and increasing 'income from science and technology activities... to [account] for at least 15% of total higher education income by 2010 and 25% by 2020'.

In pursuing these S&T and higher education objectives, Vietnam will be following strategies successfully employed by a number of transitional economies. In their various publications, international development agencies stress the importance of S&T in economic and social development and that universities and other tertiary education institutions can play significant roles in building capacity for participation in the knowledge-based world economy (The World Bank, 2002; Altbach and Balan, 2007). Close cooperation is essential between higher education and S&T since the capacity to generate and use scientific and technological information depends as much on education and training as investment in research (Harman, 2005b).

Universities, in particular, can play important roles in both training and research. According to recent studies on the determinants of national innovative capacity, countries that have located a higher share of their R&D strategy in the education sector have been able to achieve significantly higher patenting productivity. Graduates of postgraduate programmes are needed to staff R&D institutes as well as manufacturing firms that are the main mechanisms through which the results of research projects are transferred to the local economy (The World Bank, 2002).

Higher education in Vietnam has made substantial progress since key reforms were initiated in the early 1990s. Driven by a growing economy and strong student demand, enrolments have increased from 162,000 students in 103 institutions in 1992–1993 to 1.54 million students in 322 institutions in 2006–2007, transforming the system from one catering largely for elites to one providing education for a broader cross section of the population. Over this period, the number of universities increased from 9 to 139.[3] Although still dominated by smaller, discipline-specific institutions, universities have become more multidisciplinary with the formation of larger federated universities in Hanoi, Ho Chi Minh City and key regional centres. Universities also have started to become more oriented to research with research units and centres being reorganised and efforts made to integrate research and teaching activities within universities. At the same time, the role of Vietnamese universities is much weaker in research than in teaching, with their contribution to development being largely limited to production of an educated workforce rather than innovation. Even in training concerns are expressed about the quality and relevance of many courses.

Vietnamese universities suffer from structural disadvantages in contrast with universities in most of East Asian countries, with a Soviet-style model separating research largely conducted in research institutes from the higher education sector. This structure left universities not only with teaching as their main activity but also with little resources and inclination to engage in scientific research, except for a limited amount of more theoretical research, seldom involving large-scale

[3] See http://www.moet.gov.vn/?page=11.10&view=9266 for details. See also The World Bank, 2008: 7–8.

or sophisticated research facilities. While the character of universities has begun to change over the past 10–15 years, their research role continues to be limited. However, the fast-growing economy and the increasing need for innovation and high-quality skills are putting demands on a university system that it is still not able to meet.

Developing research capacity, particularly in S&T, is essential for Vietnam to transform itself into a modern industrialised nation. Higher education clearly needs a much stronger commitment to research, with appropriate research funding, facilities and personnel if it is to achieve national objectives. It also needs to learn to work effectively with both the research institutes and local industry and play an enhanced role of incubator in technology transfer that characterises modern advanced societies.

Research in Vietnam

Vietnam has an estimated 30,000 staff involved in research, including librarians, technicians and support staff, working in about 1,320 institutions involved in R&D. Whilst this number appears impressive, it includes numbers of small centres with one or two staff, often established for administrative reasons. Only about 11% of R&D institutions are located in universities and only about 5% are in the private sector (Tran and Nguyen, 2008: 8). Over two-thirds of the R&D institutions are located in Hanoi, about 15% are in Ho Chi Minh City and the rest are in a small number of major regional cities.

Three different kinds of public sector institutions are involved in R&D. By far the most important are the national research institutes that administratively report to the Office of the Prime Minister and are supervised by the Vietnamese Academy of Natural Science and Technology (VAST – formerly called the National Center for Natural Science and Technology) and the Vietnamese Academy of Social Sciences (VASS – formerly called the National Center for the Social Sciences and Humanities).

The Vietnamese Academy of Natural Sciences and Technology consists of 19 specialist institutes and 9 sub-institutes, covering a wide range of basic sciences (such as physics, chemistry and mathematics), as well as more applied research fields (such as tropical technology and tropical biology). The Academy also has well over a dozen state-owned companies that take special responsibility for research development and the application of research findings. Originally modelled on the Soviet Academy of Sciences, the Academy was restructured in 1993 to place more emphasis on applied research and experimental development. In recent years, increased emphasis has been given to international collaboration, while an advanced research training programme providing both research master's and PhD degrees has been introduced. Total staff number more than 2,000.

The smaller Academy of Social Sciences, which performs similar functions with regard to the study of society and culture, undertakes research to provide academic foundations for government planning, sustainable development and social policy

reform. It has 27 research institutes that conduct theoretical and applied studies as well as train master's research and PhD students. The research institutes cover a wide range of traditional disciplines (such as history, sociology and economics) as well as more applied areas (such as human studies, social sciences information studies and studies of the environment and of sustainable development). In 2004, the Academy had a total of about 1,400 employees, with 925 being research staff.

Second, there are about 180 R&D units (laboratories and institutes) within various national ministries or under the control of other government agencies. These units work closely with their parent organisations, undertaking mainly applied studies. According to Bezanson (2000), in many other countries this work would be found in industrial or business enterprises.

The third group of institutions are the public universities that undertake research within faculties, departments and their own research institutes. Only a limited number have the personnel, equipment, libraries and other resources needed to undertake serious R&D. Among these, the two national universities and the two largest polytechnic universities have the most developed research activities (Bezanson, 2000). The government, however, has made it clear in its public statements and in HERA that research capacity must be developed in universities, particularly the 14 key universities that were identified in 2004.

By the end of 2002, the university system included 167 scientific research and production units, of which 20 were research institutes, 143 were centres for research implementation, four were consulting offices and one was a university company. Over the period 1996–2002, the universities and colleges managed by the Ministry of Education and Training (MOET), together with the two national universities, implemented more than 3,800 research sub-projects and 90 ministerial-level projects. Of these, 21% were in education, 22% in economics, social sciences and humanities, 24% in engineering and technology, 16% in agriculture, forestry and fisheries, 4% in community health protection, 4% in environmental protection and 9% in other fields (MOET, 2005). Expenditure on R&D activities in universities constituted about 4% of total annual investment in S&T (Ca, 2006).

The three groups of public institutions involved in R&D are expected to work collaboratively with one another, but it appears that in many cases effective collaboration is limited by the way that the national R&D system is organised, financed and managed. Particularly important are the different lines of administrative responsibility to different national ministries and the lack of incentive structures to reward collaboration.

While the national research institutes have responsibility for basic research, more advanced forms of applied research and R&D, the institutes attached to particular national ministries have tended to undertake applied work specifically assigned to them by their ministry. Universities have had a limited role in research, although in a small number of cases well-qualified staff have become involved in more theoretical research, often based on their own PhD training in Russia or other countries of the Soviet bloc, or more recently in Western nations.

In recent years, however, the emphasis given to different kinds of research by the different kinds of institutions has changed to some extent. For example, funding for basic research in national institutes has been reduced, forcing them to become

increasingly involved in applied research and technology services, with funding being based on contracts with ministries, government agencies and sometimes firms. Universities, on the other hand, have been encouraged to expand their basic research and also to seek contracts from ministries and the private sector (Bezanson, 2000; Nguyen, 2000).

Despite impressive economic development over the past decade, only a small proportion of Vietnam's R&D is conducted in productive enterprises. These are predominately SMEs (small and medium-sized enterprises), and many do not seek assistance from R&D organisations. Findings from NISTPASS (National Institute for Science and Technology Policy and Strategy Studies) surveys indicate that Vietnamese firms seek comparatively little technical assistance from R&D organisations and prefer to perform most services in-house. They tend to rely on their internal capacities for engineering, management and marketing while relying on outside sources for computer services and training (Tran and Nguyen, 2008: 5). This situation can be attributed to the absence of competitive pressures, a preference by SMEs to perform R&D in-house, negative perceptions about the supply capabilities of R&D organisations and the practice in industries such as white goods, electronics and motor vehicles for technology to be supplied by international partners. Many obstacles and disincentives, including limited capital and lack of technical expertise, prevent or discourage SMEs from developing their own innovation capacities or seeking assistance from R&D organisations.

On the other hand, it is clear that there is a small but growing demand for technology and training services, that universities and research institutes find difficult to meet. Further, in many of the traditional sectors, such as agriculture and forestry, and in some dynamic regions in the south, research institutes and universities play a vital role in bringing technical solutions to producers. For instance, in the Mekong River delta more than 80% of new rice varieties have been bred by the Mekong River Delta public research organisation, while the Institute of Southern Fruit Trees has been active in identifying suitable tree varieties for orchards and in disseminating technical knowledge to farmers.

Yet, in spite of increasing demand for technology services, the bulk of R&D activities sought by firms over the period from 1990 to 2001 were conducted not by universities but by national research institutes and the institutes attached to ministries. When asked about sources of innovative ideas, only 10% of respondents in firms cited R&D institutes and universities as important sources (Tran and Nguyen, 2008: 5). Taken as a whole, there are still limited opportunities in many industries for Vietnamese R&D institutes and universities to play a significant role in working with firms. Tran Ngoc Ca comments with regard to universities as follows:

> Many universities still use equipment and facilities in place since mid 1960s or 1970s. Libraries in many universities are small, outdated in both quality and holdings. Foreign language literature is still mainly Russian, dating back to the mid-1970s. Even those universities with access to English language literature, rate of use is minimal due to low English capability of staff and overload of teaching. As a result, teaching curricula are old, repetitive and lacking in innovative approaches and new knowledge. Moreover, there has been a lack of electronic links with a national library or central information and librarian system (Tran, 2006: 11).

Table 1 R&D personnel comparisons, Vietnam, China and Korea, 2001

Country	R&D personnel per 1 million population	GDP (billion USD)	Population (millions)	R&D personnel per billion USD of GDP
Vietnam	274	35.1	80.3	629
China	584	1,266.1	1,294.9	597.3
Korea	2,880	476.7	47.4	286.4

Source: Tran (2006: 6). (It is assumed that the data refer to 2001 rather than 1990–2001).

Whereas most OECD countries and China spent about 2% of GDP on R&D in the period 1990–2001, Vietnam spent only around 0.5% of GDP on these activities. Table 1 compares the number of R&D personnel in Vietnam, China and Korea in 2001. It will be noted that while Korea had almost 3,000 R&D personnel per 1 million of population, Vietnam had only 274.

Research Funding

Vietnam lags behind other Asian countries such as Thailand and Malaysia in terms of funding for R&D, leading to limited capacity for innovation and knowledge adoption. In Vietnam the state budget is the main source of funding for R&D, with negligible sums coming from other sources. In the year 2000, the state budget accounted for about 85% of total finance for R&D nationally. However, many universities depended on the state budget for well over 95% of their research income.

Estimated total expenditure for science, technology and the environment for the years 2004 and 2005 was VND 2,296 billion and 2,520 billion respectively, accounting for about 1.25% of the total state budget expenditure. Lack of appropriate levels of funding and lack of appropriate modern research equipment have forced many R&D institutions, regardless of their main objectives and responsibilities, to move increasingly to contract research, consultancies and supplying technical services (Le, 2005: 6–7).

Table 2 provides data for the five Vietnamese universities that received the largest research revenue in 2002, all of which are designated as key universities. The data highlight reliance on the state budget and very limited funding from other sources.

Apart from state funding, other R&D income comes from foreign sources through various forms of international collaboration and from commercial contracts with government agencies and firms. However, this diversification of income sources does not represent any fundamental reduction in the dependence of Vietnam's S&T system on state funding.

State funding comes to universities mainly in the form of grants for national research projects, projects funded by particular ministries and limited bloc research

Table 2 R&D Revenue in 2002 for five top-funded Vietnam universities

Universities	Total research income (in VND 1,000)	Percentage from state budget	Percentage from domestic revenue (not state budget)	Percentage from overseas revenue	Average income per academic staff member (in VND 1000)
Vietnam National University Hanoi	18,894,820	96	0	4	8,616
Vietnam National University HCMC	8,281,112	97	0.2	2.8	5,160
University of Mining and Geology	5,630,346	47	53	0	17,761
National University of Civil Engineering	5,588,693	58	42	0	11,245
Hanoi University of Technology	4,335,885	100	0	0	3,416

Source: The World Bank (2008: 36–37) (data are drawn from the MOET University Surveys 2002).

funding from MOET for ministerial research projects. The Ministry of Science, Technology and the Environment (MOSTE) funds national research projects. These grants are based on national socio-economic strategies and plans with project topics and potential outcomes being decided by the government. Lists of both science and technology and independent research projects are selected with the assistance of specialist committees of scientists and, once short outlines are developed for each, applications are invited from organisations and individuals. Successful applicants are chosen on the advice of the Committee on Science and Technology. MOET provides ministerial research projects to organisations under its responsibility with the aim of improving education and training as well as contributing to socio-economic development. These projects include both pivotal research projects awarded by MOET itself and other ministerial research projects that are allocated by rectors. Funding for projects allocated by rectors is relatively small. For example, recent ministerial research projects allocated by the rector of the National Economics University were funded at an average level of about VND 15 million (about US $1,000). University-based research projects are funded at lower levels. For example, recent projects at the National Economics University received, on average, funding of VND 5–10 million (Le, 2005: 6–7). While there are no published evaluations

of these schemes, members of academic staff complain that the procedures for identifying and selecting projects often are neither transparent nor objective. These staff members also perceive that the opportunities for involvement of younger academics in research projects are limited. Much of the work is applied, rather than theory-oriented, and a clear perception is that a preference for work in science and technology is not always closely related to the socio-economic development needs of the country.

Other funding to universities in the last decade to support teaching and research has come from the First World Bank Higher Education Project (HEP-1). This project employed a competitive grant mechanism to enhance university capacity in teaching and research, particularly in science and technology. Quality Improvement Grants (QIGs) were awarded under three classes of applications (Levels A, B and C), with an upper limit of a total of US $10 million to any one university. Grants could be used for training of academic staff, course restructuring and curriculum development, equipment and upgrading facilities to support research and teaching, renewal and enhancement of library resources and computers centres, and institutional computer networks. By April 2005, a total of US $83.5 million had been allocated in QIGs to 36 institutions. The three top-ranked universities (the two national universities and Hanoi University of Technology) received one-third of all QIG funds, while the 12 top-ranked HEIs received three quarters of total funds (Harman, 2005a). This and other initiatives have encouraged the introduction on funding mechanisms via advisory committees of experts, but various problems still need to be overcome to allow extension of this approach.

As already noted, HERA aims to dramatically increase funds generated by scientific research and related services to 15% of total higher education revenues by 2010 and 25% by 2020. These goals are ambitious when compared with current performance. In 2005, public revenues from research-related activities only accounted for slightly above half a percent of the total revenue of public universities, with revenue from contract R&D contributing only another 1.32%. Most research activities took place in those universities specialising in fundamental sciences, agriculture and forestry, and technology and engineering. Surprisingly, research income in universities specialising in medicine and pharmaceutical science has been negligible. This is a puzzle because research in these disciplines in developed countries is usually strongly supported by external research contracts.

Not surprisingly in light of the low levels of R&D funding, Vietnam's universities measure up relatively poorly in terms of facilities and infrastructure. Computer access is limited, with only 187 higher education institutions having Internet access for students. In terms of laboratories, workshops and equipment, Vietnam's higher education institutions do poorly, although the two national universities and the regional universities in the cities of Can Tho, Da Nang and Hue do better, mainly because they are larger and more multidisciplinary in character. On average, national universities have 185 laboratories and regional universities, 10 laboratories in each institution and 36 pieces of equipment valued above US $5000 (The World Bank, 2008: 33).

Research Personnel

Some understanding of the organisation and key features of the academic profession in Vietnam is essential to understand the availability of personnel to assist with research activities in universities. In 2005, there were approximately 43,700 members of academic staff in Vietnam higher education institutions. As many as 40% of these staff members were female, which is reasonably high for Asian countries and reflects past employment practices in Vietnam. However, the student-to-staff ratio was about 30:1, which is viewed as being too high by international standards and particularly in relation to other South Asian countries such as the Philippines (with a student–staff ratio of 23:1), Malaysia (20:1) and Indonesia (15:1) (The World Bank, 2008: 29–30). Between 1995 and 2005, student enrolments in Vietnam higher education institutions increased by 4.43 times, but teaching staff numbers increased by less than one-half that rate. A heavy teaching load leaves little time for staff to engage in research and technology development.

A large proportion of academic staff members in Vietnam are at the level of lecturer and only 1.5% of all university staff in 2005 held the rank of professor, as demonstrated in Table 3. Relatively little change took place over the period 2002–2005. Most professors in 2005 were male, many were relatively old, and about one-half of them held appointments at one or other of the two national universities. This rank structure has unfortunate consequences, particularly in terms of increasing the difficulty universities have in retaining younger academics and depriving younger academics of opportunities to develop their leadership potential.

About 47% of academic staff in 2005 held postgraduate qualifications, most at the master's level. As shown in Table 4, while in 2005 almost 32% of staff in the national universities had doctorates, the overall figure for doctorates in Vietnamese universities was only just over 15% (The World Bank, 2008: 31). Younger members of academic staff are the most likely to have obtained a doctoral qualification,

Table 3 Distribution of academic staff by rank in Vietnam, 2002 and 2005

	2002				2005			
	Professor	Assistant Professor	Lecturer	Other	Professor	Assistant Professor	Lecturer	Other
National Universities	2.16	37.36	59.87	1.34	1.5	33.8	59.0	5.7
Regional Universities	0.08	36.29	59.87	3.77	0.28	24.4	74.8	0.41
Total University	1.23	29.69	64.87	4.21	1.5	22.9	68.3	7.2
Malaysia	5.32	17.42	60.68	16.38	NA	NA	NA	NA

Source: The World Bank (2008: 32). (Data come from the Association of Universities and Colleges of Canada 2002, Trends in Higher Education Ottawa; MOET University Surveys 2002 and 2005; and the Malaysian Department of Higher Education 2003).

Table 4 Percentage of academic staff with postgraduate degrees, 2002 and 2005

	2002		2005	
	Doctorates	Masters	Doctorates	Masters
Public Institutions	11.4	30.8	13.1	32.7
Semi-public institutions			19.6	35.4
Private Institutions	8.9	18.3	23.7	32.1
National Universities	25.6	43.3	31.6	32.4
Regional Universities	7.9	44.5	8.6	42.0
University	15.4	34.4	18.2	35.1
College	1.1	20.1	1.9	25.0
Total	11.3	30.2	14.4	32.7

Source: The World Bank (2008: 31) (data are drawn from the MOET University Surveys 2002 and 2005).

often as a consequence of having been fortunate in winning a scholarship to study overseas, usually in America, Europe, Australia or Japan. Donor countries and international agencies provide some scholarships, while in a small number of other cases Vietnamese universities provide opportunities for younger staff, in particular, to study abroad. The lack of a doctorate usually means that a member of staff is inadequately prepared to undertake high-quality research.

Many problems related to the quality and performance of members of academic staff in Vietnam relate to the relatively low salaries paid to public university staff as civil servants. There are also cumbersome procedures for promotion that do not appear adequately to reward achievement. Appointments and promotion in public universities are made subject to the Civil Service code. Entrepreneurial spirit is lacking, except for seeking second and third jobs through additional teaching in their own institutions, teaching in private higher education institutions, or through consulting.

While it is difficult to estimate total income that university and college academics derive from various forms of employment, including part-time employment, over and above their salaries, official data show that salaries in the education and training sector for those with higher education degrees are slightly lower than that in other sectors. The Ministry of Home Affairs (MOHA) sets the salary structure for civil servants, including permanent university and college academics.

Research Outputs and Productivity

In view of the relatively low proportion of doctorates in Vietnamese universities and the age and rank structure of the academic profession, it is not surprising that most university academics in Vietnam are not actively engaged in research, as measured by the number of articles and other publications produced. Table 5 provides data for research outputs in 2003 for public, semi-public and non-public institutions.

Table 5 Research output indicators for higher education institutions in Vietnam 2005

Ownership	Type of management	Number of published articles	Percentage in international journals	Average publications per academic staff
Public	Total	17,088	0.03	0.45
	National	146	0	0.36
	Regional	292	0.09	0.09
	Other	15,941	0.02	0.80
	Local	30	16	0.03
	Colleges	726	28	0.07
Semi-public		72	0	0.07
Non-public		38	0	0.01
Total		17,198	0.03	0.39

Source: The World Bank (2008: 37–38) (data are drawn from the Ministry of Education and Training Survey 2005).
Note: There are only three local universities in the survey and all of the publications come from a single university, Hong Duc University, which focuses on fundamental sciences.

Public institutions had by far the best record with a total of just over 17,000 publications, but only 0.03% of these were in international journals. The two national universities and the regional universities were the most productive. Even at these institutions, the productivity level in terms of articles published per staff member was low (0.36 articles per staff member in the national universities and 0.09 in the regional universities).

Patenting activity is similarly limited. Table 6 provides information on the registration in Vietnam of invention patents by Vietnamese and foreign applicants over the period 2001–2005. While in 2001 there were only 87 patents for inventions awarded to Vietnamese residents, a total of 1,201 patents were registered by foreign applicants. Interestingly, in that same year, a total of 47,721 patents for inventions were registered in Taiwan, and 121,742 patents for inventions were registered in Japan.

Table 6 Registration on invention patents in Vietnam

Years	2001	2002	2003	2004	2005	Total
Registration by Vietnamese applicants	87	136	145	179	362	909
Registration by foreign applicants	1,201	1,206	1,136	1,390	1,800	6,733
Rate of Vietnamese registrations to foreign ones	7%	11%	13%	13%		

Source: Tran and Nguyen (2008: 11) (data are drawn for MOST survey in 2006).

The relatively low number of patents in Vietnam may be due to a lack of capacity to innovate, but it may also reflect weaknesses in the intellectual property of legal framework. Le (2002) reports that only about 10% of total inventions in Vietnam are created by enterprises and universities, and that many university scientists and creators are unable to afford the expense of registering their inventions and discoveries, fear disclosing secrets and know-how to others, or are ignorant of patenting procedures.

On the other hand, limited data point to some growing university successes with research and technology transfer contracts. Over the period 1996–2000, 20 technology and agricultural universities signed nearly 13,000 contracts with government agencies and firms, yielding total revenue of VND 1,188 billion. From this sum, universities contributed almost VND 33 billion to improved infrastructure for research facilities. In the year 2002, the Ho Chi Minh City National University signed 800 contracts yielding a total revenue of VND 55 billion, while Hanoi University of Technology implemented 402 contacts yielding a total revenue of VND 67 billion (MOET, 2005).

Low research productivity seems to stem from a number of factors, particularly lack of adequate time for research (with high teaching loads and high student numbers), lack of appropriate working conditions (with many academics not having their own offices or places to conduct research) and the absence of financial incentives to engage in research. These conditions will need to change if a strong research culture is to develop in Vietnamese universities. Tran Ngoc Ca notes,

> Most Vietnamese universities are not perceived as centres of R&D excellence. They lack autonomous status, and despite the fact that their operations have been increasingly independent, they still receive many directives from above and operate under regulations of MOET. Especially in public universities staff faces constraints in terms of salary ceilings, human resource management regulations and financial incentives. Basically they are still seen as government officials rather than as academics (Tran, 2006: 13).

Academics in Vietnam understandably have a strong orientation to teaching which takes up most of their time. Amongst many academics there is a relatively low interest in research for which funding is limited especially for junior staff. Universities do not see technology transfer activities as being crucial for their existence. In many instances, technology facilities and innovation rates in universities are behind that of leading firms. Within universities, research institutes with research-only staff undertake the bulk of research activity.

Many problems related to staffing are officially recognised by government authorities but there remains a need for realistic strategies and funding allocations to make a difference. Staff–student ratios are recognised to be too high. There are notable variations in the quality of academic staff across institutions, while there is no effective framework for decisions about career advancement, particularly appointment at the professorial level. Seldom are there effective systems of induction for academic staff to teaching and learning, many facilities are inadequate, salaries are low and academic staff lack strong incentives to remain committed to academic work. Salary scales for civil servants including academics

at public universities are unrealistically low. It has become customary for civil servants to seek to augment their income by accepting additional employment after hours.

PhD Training

Limited enrolments of postgraduate students in Vietnamese universities affect the capacity of universities to expand total higher education enrolments, find replacement for retirements and enhance the commitment of universities to research. Low postgraduate enrolments also contribute to low research outputs since, internationally, and especially in S&T, research students are responsible for a great deal of the experimental and fieldwork studies undertaken. Relatively low enrolments at undergraduate levels in the hard sciences act as a further barrier to strengthening the R&D capacity of universities. Some other Asian countries have developed special scholarship programmes to attract undergraduate students to disciplines such a science and engineering.

Most postgraduate students in Vietnam are enrolled in one or other of the two national universities but even there enrolments are small in comparison with such Asian countries as Korea, Malaysia and China. As shown in Table 7, in 2005 only 3.7% of total student numbers in Vietnam were postgraduate students. Of these, only 12% were enrolled in doctoral programmes. In contrast, Korea had 15% of its total student numbers enrolled in postgraduate courses, with 14% of these being in

Table 7 Enrolment of postgraduate students in Vietnam and selected other countries, 2005

Management levels	Doctoral total	Percentage of total postgraduate	Masters Total	Percentage of total postgraduate	Postgraduate students as % of total students
Vietnam	4,805	12	34,831	88	3.7
• National University	678	8	7,456	92	7.9
• Regional	1,111	23	3,767	77	2.8
• Other Public	3,016	11	23,521	89	4.2
• Local	0	0	0	0	0
• Semi-public	0	0	87	100	0.3
China	65,257	20	261,028	80	4
Korea	17,932	14	105,979	86	15
Malaysia	5,068	16	27,316	84	5.7

Source: The World Bank (2008: 37–38). (Data are from China Statistical Yearbook 2005 (for 2004 enrolments); Ministry of Education and Human Resource Development, Korean Educational Development Institute, 2005; and Vietnam Ministry of Education and Training, 2005, University Survey).

doctoral programmes. In the past, Vietnam relied on PhD training abroad, primarily in the Soviet Union, but now there is an urgent need to increase the opportunities for PhD study in Vietnam.

Data from a 2000 NISTPASS study pointed to various weaknesses in the linkages between R&D and postgraduate study including the following:

- universities contribute to training needs but their direct services to enterprises are insignificant;
- there is a serious imbalance between subject fields, with most postgraduate students being enrolled in the social sciences and humanities while areas such as engineering, agronomy, forestry, sciences and technologies are underdeveloped;
- most organisations that send staff for postgraduate training are government agencies rather than productive enterprises; and
- links between industries and research institutes are not strong (NISTPASS, 2000).

In addition, there is a serious need for substantial investment in academic staff development, particularly if the research capacity of universities is to be enhanced. Academic staff development includes not only putting a much greater emphasis on postgraduate education but also developing appropriate induction programmes for new staff, introducing performance reviews and establishing appropriate incentive and reward mechanisms.

Conclusions

While the Government of Vietnam has ambitious plans to enhance the role of R&D and give universities an expanded role in research and technology transfer, the current research capacity of universities is severely limited. Reference has been made already to key barriers, including the bifurcated system of universities and research institutes, the heavy orientation of universities to teaching, inadequate research facilities, lack of trained younger research personnel, inadequate public research funding and lack of a strong research culture that values research activities and the production of research outputs.

Various government actions have the potential to assist universities to achieve the objectives set for them with regard to research. In the first place, additional research funding for university research is essential. While HERA provides a blueprint for university development that makes admirable sense for a transitional economy, it fails to provide detail on how the transformation of universities will take place and the extent of state funding that should be allocated to universities in order to expand their research facilities and research role.

Second, a strong case can be made for further concentrating research funding in a limited number of stronger universities and creating a number of centres of

research excellence. In most developed nations, there is an increasing emphasis on further concentrating research funding among a limited number of institutions, departments and researchers in order to develop larger groups of highly qualified and productive researchers with access to superior equipment, facilities and technical and financial support. This process is often referred to as achieving a 'critical mass' of researchers. Even wealthy countries recognise that research resources are limited, and therefore pursue policies of selectivity and concentration (Harman, 2005b). Centres of excellence have been established in many Asia Pacific countries including Japan, Korea, Australia and New Zealand. Japan, for example, in 2002 launched its twenty-first century COE (Centre of Excellence) Program with the aim of promoting research units of world-class excellence in selected fields. The fields supported in 2002 were life sciences, chemistry and materials science, information technology, electrical engineering and electronics, humanities and interdisciplinary subjects. Each research unit selected was allocated between JPY 100 and 500 million for 5 years. In Vietnam, possibly a limited number of centres of excellence allocated competitively could combine R&D and teaching, and support high-quality, research relevant R&D on applied topics of special interest to Vietnamese industry.

Third, Vietnam could consider a well-conceived programme of competitive research grants to be allocated to researchers and research groups in universities and possibly in research institutes. Many leading economies have such schemes under the control of specialist agencies or committees. For example, the United Kingdom has eight specialist research agencies that allocate grants to universities while the United States depends on the National Science Foundation, the National Institutes of Health and various specialist agencies. Developed nations invariably use competitive allocations based largely on peer review and analysis of performance data. This principle also has worked effectively in developing countries where it has been demonstrated that well-designed competitive funds can greatly stimulate the performance of higher education institutions (The World Bank, 2002: 105). However, Vietnam has not yet established this type of agency and instead research money is allocated to universities, particularly key universities, based largely on student numbers and programme specialisation. A recent important innovation has been used by the first World Bank higher education project of an independent panel to evaluate grant proposals and recommend allocations.

Fourth, more attention needs to be paid to achieving enhanced levels of collaboration between R&D providers, particularly national research institutes and universities. Closer cooperation in postgraduate teaching as well as research seems highly desirable, having the potential to draw on both research institute and university expertise. Better linkages are also needed between research producers and research users. A number of countries have enhanced these forms of cooperation by the use of incentive funding, for example, for joint university–industry research projects. Such funding could well be a more effective way of achieving collaboration than would be institutional mergers of national research institutes with particular universities.

Fifth, another urgent need for Vietnam is to increase the outputs of graduates with appropriate research qualifications. As already noted, postgraduate enrolments are low by international and regional standards and there is an urgent need to provide increased numbers of well-qualified higher degree graduates with appropriate research backgrounds to staff both universities and research institutes. While international donors can provide some assistance in funding research training in foreign countries, the future of Vietnam's universities will depend largely on the nation's own capacity to expand enrolments in PhD and research master's programmes.

Finally, Vietnam clearly needs better statistical collections for higher education and R&D, and better mechanisms to monitor research activities, research funding, postgraduate enrolments and productive links between research institutions and firms. Monitoring is essential for a serious approach to the formative evaluation of planning. Enhanced statistical collections will make it simpler to compare Vietnam's progress with comparator nations and to chart progress towards achievements of the HERA objectives for university research.

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Chapter 7
Research–Industry Cooperation Supporting Development in Vietnam: The Challenge of Translating Policy into Practice

Marea Fatseas

Introduction

The Vietnamese government has set the ambitious target of achieving industrialized country status for Vietnam by 2020. To reach this target, the government has attached central importance to investment in science and technology and to technology transfer. An integral element of its science and technology policy is to encourage greater cooperation between industry, universities and other research organizations in an effort to drive development.

This chapter seeks to provide some insight into the context for these developments. It addresses important features of the government's policy initiatives, as well as evidence of its success to date in implementing initiatives. A theme in the chapter concerns the difficulty of translating government policy into practice. There are many impediments to the effective implementation of policies in these and related areas. These impediments are not, of course, unique to Vietnam. All countries experience them to some extent.

The chapter concludes with some possible lessons that can be learnt from Vietnam's experience to date, and international experience, that may be relevant to the future development of policies and strategies for encouraging research–industry cooperation in Vietnam.

Vietnam's Opportunities and Challenges in the 21st Century

There has been an extraordinary change in Vietnam's economic well-being since the occasion, in December 1986, when the Sixth National Party Congress decided to transform the country into a market economy. Since that time, Vietnam has moved from a state of economic crisis in which it had to import rice to feed its population to a state in which it has been enjoying average annual GDP growth rates of between

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6 and 8% during the decade up to 2005 (World Bank, 2007: 99). Early in 2007 it acceded to membership of the World Trade Organization. It now also attracts high levels of direct foreign investment.

Vietnam's rapid economic growth has given it the opportunity to leapfrog stages of development, especially in information and communication technologies (ICT). It has been able to move directly to the rollout of optical fibre and mobile phone networks that have improved its capacity to compete in industries that rely on this kind of infrastructure. Major multinational ICT companies, such as Intel, have made very large investments in Vietnam.

Vietnam has been building on its traditional strengths in agriculture and aquaculture to create large foreign markets for rice, cashew nuts, seafood and other exports. At the same time, its low-wage workforce has contributed to the rapid growth of a manufacturing industry and to the subsequent creation of large export markets for textiles, garments, shoes and other manufactured goods.

Its rapid development is, however, giving rise to a great many challenges. There is now a huge strain on power generation capacity, which is struggling to keep up with demand. There is also a lack of workers with the skills needed to service the evolving needs of industry, and there is increasing degradation of the environment. Added to these challenges are the potentially catastrophic threats posed to Vietnam by climate change, with a World Bank report concluding that Vietnam would be one of the ten countries in the world most adversely affected by climate change (Dasgupta et al., 2007: 28–32). The Vietnamese government is looking to science and technology to help it meet these challenges and minimize the impact of the threats.

The Role of Science and Technology and Research–Industry Cooperation

This emphasis on science and technology as an instrument of national development has been enunciated in several key forums and documents over recent years, including at the Ninth National Party Congress in 2001, and in the Five-Year Socioeconomic Development Plan for the period from 2006 to 2010 (MPI, 2006: 1). Vietnam's Science and Technology Development Strategy states, for example, that:

> The biggest challenges in our country's socio-economic development are currently the poor quality of growth, low efficiency and competitiveness of the economy, leading to risks of being a far more backward country as compared with other countries in the region and it is very difficult to achieve objectives of industrialization and modernization. This requires S&T to contribute an important role in promoting the country's socio-economic development. (MOST, 2003)

The Vietnamese government has realized that the factors leading to its rapid economic growth in the past two decades may not serve it as well in sustaining growth throughout the 21st century. It is already looking, therefore, at how to shift the economy away from a reliance on low value-adding industries that rely on

low-cost labour and towards more knowledge-intensive industries that will improve the nation's chances of reaching industrialized country status by 2020.

Given the country's commitment to investing in science and technology as the foundation for future development, it is logical that the government should look at ways of leveraging the knowledge and capabilities of the nation's researchers to support the economy's shift towards more knowledge-based industries. It is against this background that the government has attached importance to policies that can encourage greater cooperation between industry, universities and research institutes.

The Policy and Legislative Framework

In recent years, the government has established a policy and legislative framework to build Vietnam's science and technology capacity and to drive technology transfer. The 2001 Law on Science and Technology was very explicit in requiring that organizations and individuals engaged in scientific and technological activities should take responsibility for transferring or applying the outcomes of those activities. To encourage this technology transfer, the Law established a suite of tax and credit incentives, and a fund to supply low- or no-interest loans for technology transfer activities.[1]

The Law confirmed the government's policy of building high-technology parks to underpin new high-technology industries. It also announced measures to develop a "technological market". While not defined in the Law, presumably this referred to a market for selling the technologies developed as a result of scientific and technological activities. The measures enacted to support the development of a technological market included the following:

- policies and legislation on industrial property ownership (intellectual property);
- preferential policies for trialling new technology products, S&T consultancy activities and technology exports;
- rewards for organizations and individuals that file patents, make innovations and apply new technologies; and
- permission for S&T organizations to set up enterprises, enter into joint ventures and conduct technology transfer activities.[2]

These measures are quite similar to those adopted by many other countries to encourage greater research commercialization and technology transfer.

The Science and Technology Development Strategy, issued in 2003, provided some of the detail about the government's science and technology priorities. Predictably, it named the ICT area as being a high priority. Other stated priority areas were biotechnology, advanced materials, automation, atomic and other forms

[1] Socialist Republic of Vietnam, *Law on Science and Technology*, Articles 39, 42 and 43.

[2] Ibid., Section 2, Article 33.

of energy, cosmology and machinery technologies (MOST, 2003). Several of these priority areas, including ICT, biotechnology, advanced materials and new forms of energy, appear on the research priority lists of many developed countries as well as on the lists of some other developing countries. How Vietnam differentiates itself in relation to these knowledge-based industries of the 21st century remains to be seen.

After putting in place the legislation and supporting strategies to advance its science and technology ambitions, the Vietnamese government turned its attention to the structural and other changes needed to ensure effective implementation. In September 2004, the prime minister announced that the Ministry of Science and Technology (MOST) would have responsibility for implementing the reforms in coordination with relevant ministries and agencies and provincial and city People's Committees.[3]

The government planned a range of structural reforms to encourage greater research and training cooperation between industry, universities and research organizations (MOST, 2004). These included the transformation of applied research and development organizations into enterprises subject to relevant company laws. A subgroup of such enterprises, to be called Science and High-Technology Enterprises, would be entitled to receive incentives similar to those provided to high-technology enterprises in high-technology zones.

The reforms included training initiatives aimed at ensuring the availability of skilled personnel to drive science and technology developments and incentives to attract prestigious foreign research institutes and universities to establish branches or science and technology training programmes in Vietnam. The reforms also included the establishment of organizations to act as intermediaries between researchers and industry and to consult on technology transfer, and industry was encouraged to provide intermediary services to the technology market.

In short, the government has gone a long way towards establishing a policy and legislative framework for encouraging research–industry cooperation. The question then is, what has been the impact?

Impact of the Policy and Legislative Framework

To gain a better understanding of potential impacts, it is useful to examine available evidence of research–industry cooperation from three perspectives. First, it is important to examine the industry perspective, as it could be argued that if there is no industry demand for uptake of research outcomes and technologies, then government policy efforts may be futile. Secondly, it is relevant to look at the extent to which high-technology parks have helped to build industry-research cooperation. Finally, it is important to consider these issues from the perspective of the universities and research institutions.

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[3] Decision no. 171/2004/qd-ttg, 28 September 2004, see http://www.asianlii.org/vn/legis/laws/atsorosatmm643/

Industry Perspective

Vietnam's market economy is still comparatively young, driven by the landmark *doi moi* reforms announced at the Sixth National Party Congress in 1986. In the command economy that preceded it, state-owned enterprises reporting to line ministries dominated the economic landscape. Even today they continue to play a key role. It is only in the past decade or so that private companies have begun to play a significant role in Vietnam, and almost all of them are still small- to medium-sized enterprises.[4]

The implications of this industry profile are that industry, as a whole, is not accustomed to operating in a very competitive environment, and certainly not in an internationally competitive environment. Hence, industry has not yet given much attention to the role of R&D and of cooperation with research institutions in improving business performance and competitiveness. A World Bank study (2007: 113) reported that while research and development had increased across all industries in Vietnam by about 18% between 2000 and 2004, the average level was still low.

A survey reported in 2005 of 63,760 business enterprises in Vietnam found that only 8% of them used advanced technology, and many of these were foreign-invested enterprises. Foreign-invested enterprises were always looking for new technology and engineering information, but domestic companies tended not to pay much attention to technology and the development of new products to improve their competitiveness.[5] The survey also found that industry needs related more to issues such as computer access and the skill levels of the business owners. Only 11.55% of the companies surveyed in the north of Vietnam had a computer or used local area networks, and only 2.16% had their own website.[6] Business owners also had low levels of education, with 43.3% having only a primary school education.

Research has highlighted weaknesses in the capacity of enterprises in Vietnam to design products and to cooperate with other enterprises. Unwieldy management practices in the majority of state-owned enterprises and a lack of modern business management skills have hindered capacity to deal with the challenges of global integration (Phung, 2007).

Even the minority group of Vietnamese companies interested in introducing innovations has rarely turned to research institutes and universities for assistance.[7]

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[4] The Five-Year Socio-Economic Development Plan 2006–2010 (MPI, 2006: 31) indicates that 96% of private enterprises are small or medium in size, and that the number of newly established enterprises from 2001 to 2005 (160,000) was 2.6 times higher than that in the 10-year period from 1991 to 2000, and their registered capital value was 6.1 times higher.

[5] Vietnam News, *SMEs need finance, technology*, 30 November 2005, http://vietnamnews.vnagency.com.vn/showarticle.php?num=04ECO301105. Cites a survey conducted by the Agency for Small and Medium Sized Enterprises (SMEs) Development and the Technical Assistance Centre for SMEs in Hanoi.

[6] By comparison, 89% of Australian businesses use computers, and 30% have their own websites or a presence on another entity's website (ABS, 2007).

[7] A Eurostat *Community Innovation Survey* similarly found that higher education institutions and research institutes were a minor source of innovations for SMEs in the food manufacturing industry (Eurostat, 2007).

An innovation survey conducted in 2004 in the mechanics and food processing industries found that most small firms gained ideas for innovation from their own activities (82.4%) and from customers' suggestions (58.8%). These innovations tended to be minor and incremental in nature.

For larger companies, such as state-owned enterprises, cooperation with domestic, foreign and foreign direct investment partners was considered to be a more important channel for addressing challenges in the innovation process than was cooperation with universities and research institutes. As many as 71% of SMEs and 93% of non-SMEs surveyed in the mechanics sector reported having relationships with foreign firms or foreign direct investment firms (Tran, 2006: 7–8).

There is also little evidence so far of many effective linkages between foreign companies and Vietnamese universities and research institutes. Some case studies of foreign companies in Vietnam found that their business activities did not lead to many beneficial spillovers for Vietnamese universities and research institutes. For example, the intention of the Ministry for Post and Telecommunications to encourage such linkages through the location of a joint venture with Alcatel, next to the Research Institute for Post and Telecommunications, did not eventuate (Tran, 2002: 24).

This lack of industry cooperation with Vietnamese universities and research institutes seems to be due to a range of barriers, some of which have been referred to above. From his research, Tran Ngoc Ca found that firms widely express a desire for greater cooperation with universities and research institutes, but that this demand is rarely met. Problems include a lack of capabilities for firms and universities to negotiate with each other, for learning and sharing information and for absorbing new knowledge. Rarely are institutional mechanisms in place to facilitate such interactions, and so collaboration often occurs as a result of informal and personal relationships. The overall structure and dynamism of markets are also barriers to innovation, as there is not enough "pull" for university staff to pay more attention to innovation and to serving industry needs (Tran, 2006: 29).

These barriers are not specific to developing countries, however. For both developed and developing countries in the 21st century, breaking down barriers between the creators and users of new knowledge and technologies will be a major challenge and may help to determine the competitiveness and adaptability of nations in a more challenging global environment.

Role of High-Technology Parks

The Vietnamese government views the establishment of high-technology parks as a key plank of its strategy for encouraging research–industry interaction, and technology transfer and commercialization. Since the 1990s, it had planned to co-locate new university campuses with technology parks in an effort to help drive innovation. Its Decree 99 on the regulation of high-tech parks, issued in August 2003, stated that the technology parks would:

> . . .create favorable conditions for linking high-tech training, research and development with production and services, step up technological renovation, nursery of high-tech enterprises and commercialization of high technologies.[8]

Of interest, then, is the government's success to date in establishing these high-tech parks, and the success of the parks themselves in promoting research–industry cooperation.

Saigon Hi-Tech Park was established in late 2002 and is located 15 km north-east of Ho Chi Minh City (HCMC). It is adjacent to Vietnam National University in HCMC, which has more than 15,000 students studying science and technology. Since its inception, the Park has granted investment licenses to 25 projects, with a total committed capital of US $1,366 billion. Its primary sector focus is microelectronics and ICT,[9] and its tenants include Intel, which has made an investment pledge of US $1 billion for an assembly-and-test house at the Park that will be the company's largest backend plant of this kind in the world. The Hi-Tech Park provides services aimed at encouraging research–industry interaction and research commercialization through the Neptech centre. This centre advertises its role as being one of assisting companies to design and manufacture new technology in cooperation with institutes and specialized research centres (Wilson, 2007).

The Hoa Lac Hi-Tech Park in the north of Vietnam appears to be far less developed. Located 30 km west of Hanoi, media articles in late 2007 indicated it was still in the stage of construction. It has been reported that US company, V-CAPS, is investing US $155 million in a project to build a chipset packaging factory there, and the Thuan Phat Joint Stock Company is investing US $70 million in a project to build an electronic card and mobile phone plant.[10]

Both high-tech parks are still at early stages of development and it will be interesting to monitor their development to assess whether they increase Vietnam's capacity to bring together researchers and industry to address national challenges. Their ability to attract major multinationals, such as Intel, suggests that high-technology parks may have sufficient industry pull to be able to support the further development of the tech parks.

The Perspective of Universities and Research Institutes

The transformation of Vietnamese universities and research institutes from instruments of the previous command economy to institutions more suited to the needs

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[8] Decree no. 99/2003/nd-cp, *Promulgating the Regulation on High-Tech Parks*, 28 August 2003, The National Legal Database, http://vbqppl1.moj.gov.vn/law/en/2001_to_2010/2003/200308/200308280001_en

[9] Saigon Hi-Tech Park website, http://www.shtp.hochiminhcity.gov.vn/webshtp/news/content.aspx?cat_id=512

[10] VietNamNet Bridge, *US $500 million ready to flow into Hoa Lac Hi-tech Park*, 4 September 2007, http://english.vietnamnet.vn/tech/2007/09/737064/

of a market economy is still under way and will require significant investment and policy focus. Indeed, two World Bank loan projects have targeted this higher education reform challenge and the Vietnamese government has developed policies aimed at strengthening key universities. The creation of the Vietnam National University, with major amalgamations of constituent universities in Hanoi and HCMC, has been part of this reform effort.

The government certainly has in mind that universities and research institutes will become actively engaged in research commercialization and technology transfer, and this will require effective cooperation with industry. The government's Higher Education Reform Agenda (HERA) has set the ambitious target for the higher education sector of increasing revenue from science and technology activities to 15% of total university revenue by 2010 and to 25% by 2020.[11] This will be a challenging target to achieve given that, in 2005, revenue from research-related activities constituted just above half a percent of public institutions' revenues, and these activities occurred mostly in universities specializing in fundamental sciences, agriculture and forestry, and technology and engineering (World Bank, 2007: 83).

These revenue figures suggest a low level of research linkages between universities and industry. Older survey data indicate that by 2002, Vietnamese universities had established 167 campuses for undertaking scientific research in cooperation with industry. These campuses included 20 applied research institutes and 147 executive research centres and consulting firms. It is not clear, however, how big these campuses were, what they did exactly, how active they were and whether they did, in fact, have any substantial interaction with industry. Phung (2007: 19) has also reported that cooperation between universities and industry is still not the norm and tends to consist of ad hoc arrangements based mainly on relationships between the people involved.

There are many challenges to the effective establishment of university–industry linkages. One of these is universities' lack of understanding of intellectual property issues and their distrust of enterprises on such issues:

> Enterprises don't pay copyright to the inventor when they exploit new technologies. This not only reduces the confidence of researchers in their relationship with enterprises, but ultimately discourages researchers and universities from investing time and money in new innovations (Office of the US Trade Representative, 2005: 21).

Another potential barrier to greater cooperation between universities and industry is the quality of relevant research. Many university researchers in Vietnam have been trained under a theoretical and Soviet-oriented learning system and have little practical or technological experience. In addition, the research infrastructure in their universities is well below standards across the Southeast Asian region, official research and development funding is modest in scale, and research continues to be supply-driven, with few connections to industry needs (Tran, 2006: 5). As a result, Vietnamese universities have tended to focus more on their teaching mission than on their research role.

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[11] Resolution no. 14/2005/NQ-CP, dated 2 November 2005.

Table 1 Contracts with enterprises per total projects and funding

	Share in number of research projects (%)	Share in value of research funding (%)
Research institutes	17	35
Universities	6.1	28

Source: NISTPASS, 2000 (reported in Tran, 2006: 10).

This is borne out also in a comparison of the track record of Vietnamese universities and research institutes in collaborations with industry. Universities perform poorly on that comparison, with their industry cooperation exceeded significantly by that of research institutes. Table 1 shows that contracts with enterprises comprised 17% of total projects and 35% of research funding in research institutes, compared with 6.1% of total projects and 28% of research funding by universities. It should be noted, however, that these statistics are now several years old. In any case, the World Bank's finding that research-related revenue constituted just above half a percent of public institutions' revenues suggests that any funding from contracts with enterprises would be insignificant in the overall scheme of things.

There are some positive examples of university–industry collaborations that could augur well for the future, including those of the Ho Chi Minh City University of Technology that is known for its close relationships with local and foreign-owned companies. The Ho Chi Minh City local government authorities have been active in supporting such collaboration, especially through the action plan Program 04 aimed at developing new technologies with the input of local businesses (World Bank, 2007: 181).

The Challenge of Translating Policy into Practice

The account in this chapter of experiences to date with research–industry cooperation demonstrates the significant challenges to be addressed before science and technology can drive Vietnam's development in the 21st century. In industry, some of the challenges relate to the comparatively recent development of Vietnam's market economy. Many enterprises still have limited experience competing domestically and internationally, and hence in appreciating the important role of science and technology in supporting innovation that can improve their competitiveness. The large proportion of small- and medium-sized enterprises means that many companies do not have the critical mass to spend the time and money to engage in technology-transfer activities. There is limited cooperation between enterprises, and this makes it difficult to build critical mass. Other challenges include a lack of modern business management skills and processes in companies and inadequate capital to fund technology commercialization and transfer. The lack of capabilities and mechanisms to facilitate interaction with universities and research institutes is also a major difficulty. There are just as many challenges facing universities and research institutes in

building research–industry cooperation, although it appears that research institutes may be doing better than universities.

The quality of research undertaken and its relevance to industry needs are major impediments, as are the poor standard of infrastructure and limited government research funding. Structural and cultural challenges have included a lack of appropriate structures and processes within universities and research institutes to support technology commercialization and transfer, a lack of incentives for stakeholders, and little tradition of information sharing and collaboration within and across institutions. There is also distrust of industry in relation to intellectual property issues.

Many of these challenges are not unique to Vietnam. Quite a number of them apply in developed countries such as Australia as well. Most Australian companies are small- to medium-sized companies and so face challenges in gaining the critical mass to engage in research commercialization and technology transfer. Companies in Australia have had difficulties accessing capital and in interacting effectively with universities and research organizations. Intellectual property issues are often contentious in Australia in negotiations between universities and industry.

Australian universities and research institutions are much better resourced than those in Vietnam and undertake world-class research in many fields, but they also face challenges in relation to appropriate structures, processes and incentives to promote research commercialization and technology transfer.

The Australian government has undertaken wide-ranging initiatives in the past two decades to target some of these challenges. It has focused these initiatives in the areas of the generation of new ideas (R&D), the commercial application of ideas and the development and retention of skills. It has also supported programmes for building greater cooperation between the providers and users of research.

Case Study: Australia's Cooperative Research Centres (CRC) Programme[12]

The CRC Programme has been successful in increasing critical mass in research and in building research–industry cooperation. It has been highlighted by the OECD as a pioneering example of public–private partnership programmes, and one that has been followed by the launch of similar programmes in many other OECD countries.[13] Official Vietnamese delegations have examined the CRC model during visits to Australia.

[12] See https://www.crc.gov.au/Information/default.aspx

[13] OECD, Working Party on Innovation and Technology Policy, *Public-Private Partnerships for Innovation: Synthesis Report*, 2005. Paris, page 2.

Established in 1990, the Cooperative Research Centres Programme brings together research organizations and research users, including industry, to undertake research, commercialization and technology transfer, and post-graduate training activities[14]. Organizations participating in a Cooperative Research Centre contribute cash and/or in-kind resources to support its work.

The proportion of funding provided to CRCs by industry has been increasing significantly in recent years, reflecting the benefits they gain from participation in such centres. Industry participants also value highly the industry-ready researchers who are provided with postgraduate training in these entres.

An OECD Growth Study concluded that greater use of public–private partnerships can enhance the efficiency of technology and innovation policy, and a subsequent OECD study of public–private partnership programmes suggested the following critical success factors:

- long-term commitment from both government and industry, based on a shared vision;
- achievement of critical mass but also deep reach within the National Innovation System, so that public–private partnerships are embedded in local and regional innovative clusters, and benefit innovative SMEs as well as large firms;
- building on existing networks; and
- efficient steering mechanisms that ensure a sustainable balance between public and private interests (OECD, 2005: 2–3).

Vietnam has clearly assessed approaches being used in a range of other countries and reached its own conclusions about the kinds of policies and programmes that are most relevant to its own circumstances. It has crafted a suite of policies, legislation and strategies in an effort to build the country's science and technology capability to drive its development in the 21st century.

It is too early to determine the effectiveness of its policies and strategies. There will be a need to monitor and evaluate closely their implementation over the coming years. This would indeed be a very interesting area for future research.

Conclusions

Vietnam has enjoyed impressive economic growth in the past decade and has shown itself to be very serious about achieving its objective of becoming an industrialized country by 2020. It has placed science and technology, and

[14] The author of this paper managed the Cooperative Research Centres Programme from 2002 to 2005 as an official in the former Department of Education, Science and Training.

technology commercialization and transfer, at the heart of its strategy for achieving this target. It has established a policy and legislative framework to build the country's science and technology capability, and developed strategies and made structural changes to ensure effective implementation of its policies.

There are significant challenges, however, that could affect the successful implementation of its policies. Many other countries, including developed countries, share some of these challenges. Other challenges are specific to developing countries or to Vietnam alone.

The lesson from this examination of relevant developments in Vietnam is that it is critical to build human capacity so that stakeholders have the skills to implement the changes. These stakeholders must also have a sense of ownership and the incentive to implement the changes. There must be adequate infrastructure supporting them and capital investment to enable the technology commercialization and transfer. Public–private partnership programmes could also assist if the conditions are right. Importantly, there must be adequate monitoring and evaluation frameworks in place to ensure that the decision makers can track progress in implementation of their policies.

Vietnam has demonstrated throughout its history a capacity to triumph over enormous obstacles, and there is every reason to be confident that it will succeed in its ambition to become an industrialized country by 2020 or in the decade thereafter.

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Chapter 8
Intellectual Property and Vietnam's Higher Education System

Robert Spoo and Dao Anh Tuan

Introduction

Many types of intellectual property (IP) are generated within Vietnamese universities and colleges. These include copyrighted works, such as scholarly books and articles, textbooks, written lectures and speeches, scientific works, and teaching-related software. Faculty members in the scientific disciplines create or discover various kinds of "industrial property," including inventions, utility solutions, industrial designs, trademarks, new plant varieties, semiconductor integrated circuit layout designs (computer chips), and business (or trade) secrets. In recent years, Vietnam has made significant progress in establishing laws, regulations, and international commitments to protect IP rights.[1] As Vietnam's universities and colleges grow in research capacity and quality, academic authors and inventors will be responsible for a larger percentage of copyright registrations and industrial property filings than in the past.

This chapter will examine major challenges that Vietnam's higher education system faces in the area of IP. It is well-recognized by Vietnamese educators that IP has become an increasingly valuable source of revenue and prestige for universities and colleges. Because IP rights—particularly patents in technological and medical discoveries—confer legal monopolies that can generate significant revenue streams for a number of years, universities are devoting attention and resources to the creation, protection, and commercial exploitation of faculty-generated IP.

Four significant IP challenges confront Vietnamese universities and colleges. The first involves the need to develop, among faculty and students alike, a greater awareness of the importance of economic and moral IP rights in academic research. An understanding of the economic value of research, along with the obligations

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[1] Vietnam's Intellectual Property Law, effective as of July 1, 2006, protects many of types of works that might be created by university faculty. Other IP rights, such as those in new plant varieties, semiconductor chips, and trade secrets, are provided for by government decree.

G. Harman et al. (eds.), *Reforming Higher Education in Vietnam*, Higher Education Dynamics 29, DOI 10.1007/978-90-481-3694-0_8,

of academic honesty, is a foundational prerequisite for the development of IP in universities. Related to this need is Vietnam's second challenge: the need to expand the teaching of IP in Vietnam, both in the general university curriculum and in pre-professional programs. The third challenge is posed by lingering confusion over the ownership of IP rights within Vietnamese universities. Until there is greater certainty about who is the legal owner of faculty-generated IP—whether faculty, the university, or the state—it will be difficult for universities to reap the full benefits of commercializing IP. The fourth and final challenge to be discussed is the need for Vietnamese universities and colleges to establish and enhance their internal business capacity to commercialize faculty-created IP. While some Vietnamese universities, such as Hanoi University of Technology (HUT), have created technology licensing offices (TLOs) to facilitate the transfer of IP to the commercial sector, many other universities have yet to do so. Without an efficient system of TLOs, the full benefits of university-generated IP will not be realized.

The IP Challenge for Developing Countries

Developing countries face an IP dilemma: on the one hand, they are urged to recognize the IP claims of developed nations and to adopt comparable IP laws for themselves; on the other, the IP rights system, as a whole, may be of questionable benefit to many developing countries in areas such as health, agriculture, education, and information technologies. According to the Report of the Commission on Intellectual Property Rights (2002), "IP rights can do little to stimulate invention in developing countries, because the prerequisite human and technical capacity may be absent. Moreover, they increase the costs of essential medicines and agricultural inputs, hitting poor people and farmers particularly hard" (Executive Summary, 1). The Commission urges developed nations to resist imposing procrustean IP standards upon developing countries. Instead, "the interests of developing countries are best served by tailoring their intellectual property regimes to their particular economic and social circumstances" (Full Report, 172).

A one-size-fits-all approach to the IP needs of developing countries would be ill-advised. A thriving patent regime, for example, may provide incentives for academic research, but it can also create legal gridlock for researchers who need to make use of patented technologies in their work. Unauthorized use of copyrighted works—roundly condemned by developed nations—can be an important cheap source of learning in developing countries. As observed in the Commission's Report, "[M]any poor people in developing countries have only been able to access certain works through use of unauthorised copies available at a fraction of the price of the original" (2002: Executive Summary, 13). In Vietnam, it is common for university students to photocopy their professors' textbooks rather than to purchase them; faculty members know this and often excuse it on the ground of student poverty.[2]

[2] Interview with Dr. Nguyễń Thanh Hā, professor of economics and manager of the Center for Business Management at National Economics University in Hanoi, December 2005.

While this chapter makes a number of recommendations for enhancing IP in Vietnam's universities, it does so in the spirit of the Commission's Report, recognizing that what may be right for a developed nation may be wrong at this time for Vietnam. In the end, Vietnam must find a role for IP that fits its own educational needs and capacities.

IP in Vietnamese Universities: Challenges and Potential Solutions

Economic and Moral IP Rights

A fundamental challenge for Vietnam's higher education system is the need to develop a greater understanding of the importance of economic and moral IP rights in academic research. Economic rights are those entitlements, such as copyrights and patents, which derive from statutory sources and which confer the ability to control IP and to generate revenue. Moral rights, by contrast, are "personal" to the creator of a work. Secured by statute and consistent with Vietnam's international commitments, these rights include the right of attribution (or "paternity") and the right of integrity (ensuring against "distortion" or "mutilation"), enabling an author to protect the "honor" of the work and his or her role in it.[3] Vietnam also recognizes certain moral rights in industrial property, such as patents. Legally compensable harm includes "spiritual damages" and "loss to honor, dignity, prestige, reputation and other spiritual losses".[4]

University faculty generally experience two types of motivation to engage in scholarship and research: reputational incentives and economic incentives. An academic's reputation and honor are threatened when his or her research is reproduced without permission and without attribution. Like their counterparts throughout the world, Vietnamese higher education institutions are vulnerable to plagiarism, widespread photocopying of textbooks and teaching materials, and other forms of unauthorized reproduction—particularly so in that Vietnam's IP laws are relatively recent, piracy of entertainment products in Vietnam is common, and popular understanding of intangible property rights is at an early stage. In addition, Vietnam's ambivalence, at this historical and political moment, about the privatization and commercialization of products of the mind, combined with traditional academic attitudes concerning "pure" research, poses obstacles to fully realizing the economic potential of academic research in Vietnam.

A forward-looking policy is required to address the challenges of moral and economic rights in Vietnam's universities. While some institutions have formal or

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[3] See Vietnam's Civil Code, Article 738, and IP Law, Article 19. In October 2004, Vietnam became a signatory to the Berne Convention for the Protection of Literary and Artistic Works, Article 6^{bis} of which prohibits "derogatory action" in relation to a work which "would be prejudicial to [an author's] honor or reputation."

[4] IP Law, Article 207(1)(b).

informal "guidelines" concerning academic honesty and IP rights, a concerted effort should be made to adopt written honor codes and policies and require that students and academic staff agree to abide by clearly articulated principles of academic honesty and integrity. In addition, as discussed below, universities might establish programs for teaching IP concepts to faculty and students (including law students) and for emphasizing the significance of authors' rights. These measures would contribute to a climate of enhanced respect for authorship in the university and would likely help encourage academic authors and inventors to exert themselves to create more such products.

In addition to reputational incentives, the economic incentives of academics should be enhanced to encourage the production of research and scholarship. Academics in Vietnam are often not well compensated by their universities and therefore lack significant financial incentive to remain committed to research and teaching. If academics can be guaranteed some portion of the financial benefits to be derived from their writings and inventions, they will have a means of augmenting their income, reducing their dependence on outside employment, and spending more time on the core institutional activities of research and writing.

In some cases, of course, the IP created by academics within the scope of their university employment may be owned, in the first instance, by their university or (in the case of a public university) by the Vietnamese government. The copyrights in textbooks authored by academics may be owned by the academics' publishers. Such results would follow from the "work for hire" provisions contained in many of Vietnam's IP laws and regulations.[5] These rules may be altered by contract or by statutory exception, however. For example, Vietnam's legal rules for contractual IP transfers and licensing permit flexible divisions of economic rewards between academics and their institutions.[6] Other regulations enable authors of copyrighted works and inventors of patented discoveries to obtain royalties or other remuneration even after they have transferred or licensed the IP to others.[7] Even small economic benefits, when added to the reputational benefits of scholarly prestige, can provide academics with strong incentives to improve and increase their research and scholarship. Many universities in developed countries have adopted policies that provide faculty inventors with a significant share of royalties from their commercialized discoveries, with the remainder going to the university or department.[8]

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[5] Work-for-hire rules provide that the owner of IP is not the individual who creates it, but rather the employer, governmental body, or commissioning party for which the IP was created. See Civil Code, Article 740.

[6] See Decree no. 11/2005/ND/CP of February 2, 2005 (replacing Decree no. 45/1998/ND/CP of July 1, 1998).

[7] See, for example, Decree no. 61/ND-CP of June 11, 2002 of the Government on Royalty Regime (copyrighted works).

[8] For example, Stanford University inventors receive one-third of net royalties from their licensed discoveries after administrative costs are deducted. See Stanford University Office of Technology Licensing, "Our Process," Section 8 (found at www.otl.stanford.edu/inventors/process.html (last visited October 13, 2007). In an interview conducted on December 15, 2005, Mr. Bay, Vice

The Teaching of IP in Vietnam

Related to the need for a greater general academic awareness of economic and moral IP rights is the second challenge: the need to expand and improve the teaching of IP in Vietnam. Currently, there is no training institution which is responsible for or specializes in the teaching of IP. Moreover, it is difficult to find a university or research institute that includes IP as a part of its curriculum. Although some aspects of IP are taught as an elective in certain law programs, there are no compulsory IP courses, and Vietnamese universities have not yet adopted the proposed 2005 ASEAN Common IP Curriculum and Syllabi Template[9] or created positions for so-called "full-time IP-specialized" lecturers. Part-time IP-specialized lecturers are usually drafted from the National Office of Intellectual Property (NOIP), the National Office of Copyright, or IP law firms.

On December 12, 2005, Vietnam's President issued Order no. 28/2005/L/CTN concerning Vietnam's new Intellectual Property Law, which came into force on July 1, 2006. This new body of law mentions IP research and training only briefly and generally; reference is made, for example, to the state's commitment to giving "priority to investment in training, improving officials, civil servants, related people in the field of intellectual property rights protection and research, application of science and technologies for intellectual property rights protection" (Article 8, Section 4). Another provision requires the state to "train and foster a line-up of IP officers" and to promote the "education, propagation, popularization of knowledge of and law on intellectual property" (Article 10, Sections 3 and 8). Still another provision sets forth general qualifications for practicing as an industrial property agent and requires the government to make "specific provisions" for training, examining, and certifying industrial property professionals (Article 155).

To date, public management in the field of IP in general and IP research and training in particular has not been unified and is in need of more detailed elaboration. Although the new IP Law covers all aspects of IP and assigns the Ministry of Science and Technology responsibility for taking the lead in coordinating with other "IP ministries"—notably, the Ministry of Culture, Tourism, and Sports (formerly, the Ministry of Culture and Information) and the Ministry of Agriculture and Rural Development—the laws discuss the qualifications and training for industrial

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Director of Education and Research at Vietnam's Patent Bureau, stated that the Department of Sciences and Technology had recently recommended that academic inventors receive 70% of royalties generated by their discoveries. In contrast, Professor Lam Quang Thiep of Vietnam National University in Hanoi, during an interview on December 9, 2005, stated that Vietnamese academic authors receive 10% of net revenues from sales of their books. This smaller percentage is generally consistent, however, with royalty percentages paid by book publishers to academic authors in many developed countries.

[9] See materials at:http://www.ecap-project.org/activitiesevents/at_regional_level/eu_asean_colloquium_on_a_common_postgraduate_ip_curriculum_and_syllabi_template_for_asean_countries_17_18_august_2005_singapore.html (last visited October 27, 2007).

property practitioners only, as noted above. No comparable provisions exist for copyright agents, for example.

Some progress has been made in the teaching of IP. Recently, NOIP and Ho Chi Minh City Law University began cooperating to provide 6-month IP training courses for interested individuals who hold bachelor degrees. Certificates of completion satisfy one of the major requirements for becoming an IP practitioner. Enrollees typically include customs officers, market management officers, judges, and patent attorneys. In 2007, NOIP signed separate cooperation agreements with the Institute of Natural Sciences and Da Nang University, with the goals of promoting creative activities within the two institutions and raising awareness about IP assets and the importance of protecting them. This is only a start, however. Insufficient attention has been paid to designing and conducting IP training programs and introducing the subject of IP into the curricula of universities and colleges, which are regarded as official accrediting institutions, in contrast to the unofficial 6-month IP training program discussed above.

Clarifying Ownership of IP in Universities

A third challenge is lingering confusion over the ownership of IP rights within Vietnamese universities. In order to protect and exploit IP effectively, it must be clear who owns the IP in the first place. Yet it is not always obvious who owns the economic rights in IP produced within Vietnam's higher education institutions: Is it the individual who invented a new scientific process, the university that employs that individual, the government that owns and funds the university, or some combination of these? Despite the seeming lucidity of Vietnam's "work for hire" rules (discussed above), situations arise in which it is not clear whether an academic or postgraduate student created IP within the scope of his or her "duties" at the university, or whether those creative efforts occurred outside that scope. For example, if a researcher makes an important scientific discovery on his own time, perhaps with only incidental use of university resources and equipment, and without public or university funding, Vietnam's "work for hire" rules will not necessarily answer the question of who owns the IP.[10]

[10] There exists a wide range of conflicting views about the ownership of IP in Vietnamese universities. Officials interviewed at Vietnam National University (VNU) in Hanoi in December 2005 believed that patent rights are owned by, and registered in the name of, VNU inventors. Yet a Patent Bureau official stated in the same month that patents created at public universities are usually owned by the universities, and that non-public universities typically settle this question by contract. During an interview in December 2005, Dr. Nguyễn Minh Hệ, Vice General Director of the Polytechnology Company at Hanoi University of Technology, stated that when funding for research comes from the university or the state, ownership of IP resides both in the university/state and in the individual author. The apparent inconsistencies here may result from conflicting assumptions about what IP "ownership" is. For some interviewees, "ownership" seemed to relate to the moral rights in a work, as opposed to the economic rights.

Certainty as to ownership of IP rights is essential. Not only does clarity of IP ownership assist with internal administration of the products of research and scholarship, but clear title is also necessary for registering IP with the appropriate government agency and, critically, for transferring the IP to the private sector for commercialization. Vietnam's regulations concerning technology transfer contracts also require a clear identification of the owner of the technology to be transferred.[11] As Vietnamese academics generate more research and discoveries which attract the commercializing energies of domestic and foreign business partners, it will be critical that university policies and contracts be adopted to eliminate ambiguity as to IP ownership.

A key step is deciding who should be the proper legal owner of university-generated IP—especially of potentially lucrative patents. Neither scholars nor governmental agencies are well suited to the task of administering and exploiting IP. Academics rarely have time, aptitude, or funds for the burdens of business, and public bodies lack flexibility and efficiency to pursue the commercialization of research products. This means that the university itself should often assume the tasks of owning, protecting, and exploiting IP created by academic staff. To do so effectively, Vietnamese universities and colleges must establish or strengthen their legal capacity to own research-generated IP and, when necessary, to prosecute or defend lawsuits or initiate administrative proceedings to protect the IP.

A university may own IP (like any other asset) as a function of its general status as a business entity, under the appropriate enterprise laws. Alternatively, a university with a developed technical program may wish to set up a separate though affiliated company or companies for the specific purpose of owning and administering faculty-generated IP. This has been done with apparent success at HUT, as discussed below. A highly successful example of a separate university-owned company for owning and administering faculty-generated IP is Oxford University's "Isis Innovation," a wholly owned technology transfer company founded in 1988 to pioneer the commercial exploitation of academic research and invention.[12]

Establishing a separate business entity for the exploitation of university-generated IP has several advantages. In contrast to the general university, a separate IP-dedicated company can more rapidly administer IP and speed its commercialization, thus encouraging academic research and transferring the products of that research efficiently to the private sector. Universities that quickly and successfully market academic discoveries become identified as serious, cutting-edge institutions for research, scholarship, and technology. Such high-profile universities have better success in obtaining research funding from external sources, in attracting the best students, and in recruiting the most accomplished faculty from within and from outside the country.

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[11] Decree no. 11/2005/ND/CP of February 2, 2005.

[12] See Oxford University, "Knowledge Transfer" (2005), found at www.ox.ac.uk/innovation/spin.shtml (last visited October 13, 2007).

Capacity to Commercialize IP: Technology Licensing Offices

A fourth challenge is the need for Vietnam's universities to establish and enhance their internal business capacity to commercialize faculty-created IP. While some Vietnamese universities have created TLOs to facilitate the transfer of IP to the commercial sector, many other universities have yet to do so. By contrast, TLOs in South Korea and the United States have been widely adopted and have achieved a high level of sophistication and efficiency (Moon, 2004; Park & Park, 2003).[13] The proper deployment of TLOs can build needed business efficiency and focus into the university structure and can enhance the goal of commercializing faculty-created IP and realizing IP-related revenues.

A TLO has operated for a number of years, with apparent success, at HUT. This TLO, currently referred to as the Polytechnology Company (the Company), administers the transfer of HUT-generated technology to the private sector: "Fully backed up by HUT, [the Company] is capable of undertaking successfully economic/technical contracts, technology transfers, research and development programmes of high quality products, and scientific services" (HUT, 2002: 5). The Company's precise role in the various phases of technology transfer is not entirely clear, beyond serving "as an advisory body to the HUT rector and management board in planning the transfer of technology" and being responsible for "technology transfer in accordance with guidelines of the Party and the laws" (HUT, 2002: 2–3). As of 2002, the Company had a staff of 25 employees at its main office, and a total staff of 850 at its various "member units," including faculty and "leading scientists" who served as consultants (HUT, 2002: 5).

HUT's Company administers technology products developed by it own faculty, as well as technology products imported from foreign countries. Some of these products are protected by patents; others are not. When a patent is sought for a product, the Company sometimes assists with the application process, but apparently does not always play a central role. Among other functions, the Company seeks feedback about products from the private sector and from consumers, and reports this feedback to HUT faculty who developed the products. The Company was formed under Vietnam's enterprise laws and enjoys its own legal status.[14] Information about the number of technology products transferred to the private sector by the Company, or about its revenues, has not been obtained. Nor is it known how comprehensive the Company's technology-transfer services are, or how efficient the Company is at commercializing technology products. It is reported that few Vietnamese universities have TLOs for administering and overseeing the commercialization of faculty-generated IP.

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[13] See Stanford University Technology Licensing Office, "What We Do," found at www. http://otl.stanford.edu/flash.html (last visited October 13, 2007).

[14] This information was obtained during interviews with Dr. Nguyn Minh Hệ, Vice General Director of the Company, and Mr. Bay of the Patent Bureau, in December 2005.

To maximize efficiency, TLOs in Vietnamese universities should be responsible for the following, at least:

- obtaining and recording written disclosures of faculty discoveries and inventions;
- meeting with the faculty inventor, performing a feasibility assessment of the discovery or invention, and, if appropriate, creating a preliminary licensing strategy;
- obtaining necessary IP protection titles and registration certificates for promising discoveries and inventions, perhaps with the assistance of an outside IP attorney;
- identifying potential licensing partners in the commercial sector (using nondisclosure or confidentiality agreements to carry on any discussions with those potential partners);
- negotiating and concluding a licensing agreement with the chosen business partner;
- ensuring compliance with Vietnam's regulations concerning technology transfer contracts, where appropriate;
- monitoring the performance of the business partner by requiring periodic reports; and
- obtaining feedback from the commercial sector and from consumers so that faculty can improve their research and the TLO can improve its procedures.

International Agreements to Which Vietnam is Signatory

Vietnam has signed a number of international IP agreements, but its first order of business has been to improve its own legal system in general and its IP regime in particular. Vietnam has taken a major step by recently updating its laws. The chief enactments relating to IP include the following: the Civil Code of June14, 2005 (effective January1, 2006), which replaces the Civil Code of October 28, 1995; the IP Law of November 29, 2005 (effective July 1, 2006), which provides for copyrights, neighboring rights, industrial property rights, rights in plant varieties, and the enforcement of these rights; Decree 103/2006/ND-CP (September 22, 2006), which implements provisions of the IP Law relating to industrial property; Decree 105/2006/ND-CP (September 22, 2006), which implements provisions assisting the enforcement of IP rights and state management of IP; and Decree 106/2006/ND-CP (September 22, 2006), setting forth administrative sanctions for the infringement of industrial property.

As for international treaties, Vietnam is a member of the Paris Convention for the Protection of Industrial Property (as of March 8, 1949); the Madrid Agreement Concerning the International Registration of Marks (March 8, 1949); the Convention Establishing the World Intellectual Property Organization (July 2, 1976); the Patent Cooperation Treaty (March 10, 1993); the Berne Convention for the Protection of Literary and Artistic Works (October 26, 2004); the Convention for the Protection of Producers of Phonograms Against Unauthorized Duplication

of Their Phonograms (July 6, 2005); the Brussels Convention Relating to the Distribution of Programme-Carrying Signals Transmitted by Satellite (January 12, 2006); the Madrid Protocol for international registration of trademarks (July 11, 2006); and the Rome Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organizations (March 1, 2007).

Vietnam has also sought to strengthen institutions that administer and enforce its IP laws. Although Vietnam is a developing country that does not yet produce significant IP and is a net consumer of IP generated by other nations, the Vietnamese government has been active in ensuring that its IP laws are effective, especially in the fight against piracy and the illegal use of consumer products, music, and software. On February 22, 2007, the Prime Minister of Vietnam issued Instruction no. 04/2007/CT-TTg to enhance protection of computer programs. The instruction states that its main purpose is to ensure strict compliance with Vietnam's laws and its commitments to international treaties for the protection of computer software. Designated ministries are assigned specific tasks: the Ministry of Finance, for example, must prepare a budget for purchasing licensed computer programs for government agencies, and the General Department of Customs must closely monitor the import and export of computer programs.

The Task Ahead for Vietnam

As Hayden and Lam have explained (2007: 79), "there will be a huge transformation of the higher education system in Vietnam over coming years. Central to this transformation will be the emergence of institutional autonomy." As Vietnam seeks to infuse its higher education institutions with greater autonomy and to reduce central control by the state, "higher education institutions will need to have a capacity both to determine their own goals and programs and to determine how their goals and programs will be pursued" (Hayden and Lam, 2007: 80). Critical for this nascent institutional autonomy will be "academic freedom, individual academic autonomy, institutional sovereignty and institutional self-determination" (Hayden and Lam, 2007: 84).

IP can play a significant role in furthering the institutional autonomy of Vietnam's universities. By its very nature, IP presupposes a recognition of individual intellectual effort and the right to receive economic rewards for such effort. Vietnam's IP regime, like that of many countries, is fundamentally incentive-based. A property right which is limited to a certain durational term (in the case of Vietnamese copyrights, for example, the author's life plus 50 years) is offered as a way of inducing creators to take the trouble to create. The temporary monopoly that is granted to the creator, or to the creator's employer, represents a vehicle for capturing economic benefits. The more useful or ingenious the creative product, the more valuable and plentiful will be the economic rewards that the product can attract.

The institutional process of creating, protecting, and exploiting IP is a quintessential example of financial self-management, decentralized authority, and autonomy,

and embodies important lessons in free-market values and practices. IP protection furthers these objectives by rewarding individual and institutional initiative with distinct economic benefits, but only if that initiative succeeds in attracting the commercializing energies of the private sector, and then results in a benefit to the public. Equally important for universities that are seeking autonomy and credibility, the creation and exploitation of IP by faculty afford a significant opportunity for a kind of quality assurance that is both concrete and measurable. In order to be successful as commercial products, the discoveries that result from academic research and scholarship must first qualify as IP—patents, business secrets, trademarks, copyrights—and be approved for registration by the relevant government agency. Once the technology is protected as IP, it is ready to be tested by the competitive rigors of the marketplace. If it passes that test, the creator and his or her university stand to receive tangible financial rewards as well as justified academic prestige. The process of protecting and exploiting university-generated IP thus allows an important measure of quality assurance to be built automatically into the core activities of the university. The concrete realities of the commercial sector serve as one reliable measure and guarantee of academic achievement.

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Chapter 9
Reforming the Governance of Higher Education in Vietnam

Dao Van Khanh and Martin Hayden

Introduction

Vietnam has been slow to modernise the governance of its higher education system. The forms and structures of governance established during the period of Soviet influence from the mid-1950s up until the end of the 1980s have remained largely intact. Recently, however, within the framework of the Higher Education Reform Agenda (HERA),[1] the government has made a significant commitment to reform in the way the system is governed. This chapter addresses four reform measures in HERA concerning governance of the higher education system. Of interest are the implications of these measures in terms of modernisation of governance of the system. Challenges likely to be encountered in implementing these measures are also discussed. The chapter draws on official documentation and on interview data collected from well-placed senior academics and bureaucrats.[2] It is informed also by a small but developing body of literature on higher education governance in Vietnam (BICA, 2003; Lam, 2004; Pham & Fry, 2004; Hayden & Lam, 2007).

National and Institutional Setting

The governance of Vietnam's higher education system needs to be seen within the context of how Vietnam itself is governed. Three aspects of national governance are especially relevant. The first is that Vietnam is a one-party communist state in which the party is constitutionally responsible for leading the state. This situation has important implications. It creates, as Truong (n.d.: 131) has identified, a set of circumstances in which the nation's legislature may not stand above the power of

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[1] Resolution no. 14/2005/NQ-CP, dated 2 November 2005.

[2] Details of the methodology for collecting interview data are reported in a PhD thesis being written by the first author.

G. Harman et al. (eds.), *Reforming Higher Education in Vietnam*, Higher Education Dynamics 29, DOI 10.1007/978-90-481-3694-0_9,

the state, yet laws must be made by the legislature that stand independently of the party. For higher education, this means that all decision-making structures normally require a parallel party structure, the role of the party being to assess decisions taken in terms of their consistency with party ideology and, if necessary, to exercise a right of veto.

The second aspect is that, notwithstanding the nation's commitment to Marxism-Leninism and the thoughts of Ho Chi Minh, there is a remarkable tolerance of market-based behaviour and of forms of private ownership that are ideologically at odds with, in particular, Marxism-Leninism. This tolerance is evident in nearly all areas of economic activity in Vietnam. For higher education, it means that, on the one hand, Marxism-Leninism and the thoughts of Ho Chi Minh are a compulsory part of all undergraduate courses,[3] while, on the other hand, the state encourages the establishment of "non-public" (in effect, privately owned) higher education institutions – all heavily dependent on market forces for their survival and charging higher tuition fees, on average, than are charged by public-sector institutions. This kind of incongruity lends support to a perception that Vietnam's higher education system is indeed "a site of contradiction between the demands of socialism and the trend towards a market economy" (BICA, 2003: 241).

The third aspect is that, across all areas of government, the regulatory environment (that is, the exercise of authority delegated by the National Assembly to the Cabinet) is of far greater day-to-day significance than the legislative environment (that is, the law-making activities of the National Assembly). While the National Assembly must consider all draft laws prior to their adoption, members of the National Assembly rely heavily on advice from ministries. Ministries, in turn, do not like to include in draft laws any provisions that could be difficult to implement, or in relation to which there may be any ongoing concerns. As a consequence, laws approved by the National Assembly are often no more than a codification of accumulated regulatory decisions. Laws also tend to be written in ways that ensure ongoing ministerial discretion in their interpretation. The Education Law of 2005 is a case in point. It is an update of the Education Law of 1998, with the substance of all resolutions, decrees, and decisions issued between 1998 and 2005 written into it. On contentious matters, such as concerning the exact nature of the distinction between "for-profit" and "not-for-profit" non-public higher education institutions, the Law remains silent – the expectation being that this matter will eventually be clarified by government regulation.[4]

Certain features of the higher education system's institutional setting are also of note. One of these is that the system remains firmly under the control of the state – indeed, the public sector of higher education remains effectively a part of

[3] Students are also required to study this topic for their final graduation examination.

[4] Interestingly, some provisions in laws, such as Article 20 of the Education Law of 2005, that "All acts of commercialization of education are forbidden" can create an opposite problem for regulators, that is, they can create the problem of having to find ways of enabling activities to take place that are essential to the public good even though they are contrary to a literal interpretation of a legal provision.

the state bureaucracy. The state exercises its authority through various ministries, of which the Ministry of Education and Training (MOET) has by far the most extensive responsibilities. In consultation with the Ministry of Planning and Investment and the Ministry of Finance, MOET allocates enrolment quotas for all higher education institutions and controls the maximum level of tuition fees that higher education institutions may charge. It controls the curriculum frameworks for all training programmes[5] delivered by higher education institutions and regulates all training programme structures. It administers a national University Entrance Examination (currently undertaken annually by over one million final-year secondary school students) and manages the process of selecting students for admission to training programmes. In addition to these responsibilities, it has line-management responsibility for one-quarter of all public higher education institutions, including 12 of the 14 officially designated "key" universities.[6] For institutions under its direct management, MOET controls the appointment of rectors[7] and regulates all major decisions about income expenditure. All other public higher education institutions in Vietnam are similarly under line-management control by one ministry or another,[8] or else by one or other of the provincial governments.[9] These institutions tend to be much smaller than MOET's group of universities and colleges, and many of them remain highly specialised in their curriculum focus.

Another feature of the institutional setting is that, within universities and colleges, the office of rector is the established seat of power. Interestingly though, rectors do not have a significant capacity to affect decisions about the curriculum, its delivery, academic standards or the conditions of academic work – these matters are largely determined by MOET. Rectors do, however, have considerable personal authority as a consequence of being able to appoint a senior management team, determine institutional teaching and research structures, make recommendations for promotion to professorial levels, affect decisions about the appointment and promotion of non-professorial staff, and allocate discretionary funds. The office of the rector is also a symbol of the authority of the state, and, as such, is regarded respectfully.

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[5] A training programme is a course of studies leading to the equivalent of a "major" within an undergraduate programme.

[6] The two "key" universities that MOET does not line-manage are the two national universities, one located in Hanoi and the other in HCMC, both of which report directly to Cabinet because of a special status given to them by the government.

[7] While ministries are ultimately responsible for appointing rectors, a process of canvassing the views of the staff is usually implemented. This process is often influenced, however, by a tendency for staff to indicate their support for the candidate they consider is most likely to be acceptable to the relevant ministry.

[8] Currently, there are 13 ministries that exercise line-management control of individual public higher education institutions.

[9] As discussed later in this chapter, however, HERA foreshadows the elimination of line-ministry control which means specifically that public higher education institutions will need to become self-governing.

Yet another feature is that, since 2003, when the prime minister promulgated a Charter for Higher Education Institutions,[10] all universities and colleges are supposed to have established governing councils[11] with responsibilities for:

> (1) setting up the mission, goals and strategic plans for the institution; (2) building specific regulations and rules for all activities in the institution; (3) approving important expenditure and investment projects of the institution; and (4) supervising the implementation of democratisation in the institution. (Lam, 2004: 290)

Each governing council was to have an elected chairperson (other than the rector), and its members were to include the party committee secretary, the rector (whose role is to provide strategic plans and proposals), the heads of constituent colleges, and the heads of various unions and associations (including the labour union, youth union, student association, women's association, and veterans' association). Some of the institution's eminent scholars were also to be members.[12] The non-public sector appears generally to have had little difficulty in responding positively to the prime minister's directive. In the public sector, however, progress in establishing governing councils has been slow, a general view being that these councils are unnecessary given the roles already being performed by sponsoring ministries and by rectors.

Finally, and briefly, certain characteristics of the non-public sector are noteworthy. This sector enrols about 13% of all higher education students. It receives no financial support from the state, but its enrolment quotas, training programme structures, and maximum tuition-fee levels are all strictly regulated by MOET. In general, the sector concentrates on the provision of programmes in areas of significant unmet student demand, such as business studies, information technology, and foreign languages (especially English). Its maximum tuition-fee levels are, on average, double those charged by public higher education institutions.

HERA Provisions

In 2005, the government adopted HERA, a reform plan intended to provide Vietnam with a higher education system that by 2020 is "advanced by international standards, highly competitive, and appropriate to the socialist-oriented market

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[10] Decision 153/2003/QD-TTg, dated 30 July 2003.

[11] Variously referred to as institutional councils or university councils for public-sector institutions, and as governing boards for institutions in the non-public sector.

[12] There is currently a draft version of a revised charter. Of interest is the extent to which the proposed membership of a governing council has been broadened. The draft reads, "Governing council members include both *ex officio* and elected members. *Ex officio* members include rector, party secretary, head of registrar/training department, and members who are appointed by the state bureaucracy, including representatives from the State, ex-students, employers, scientists, educational management experts. As for elected members (who can be re-elected), they are: representatives from teaching and administrative staff, students (from second year), various institutional unions and organizations, individuals and organizations taking part in investment/building the university. Chairperson is other than the rector."

mechanism".[13] When fully implemented, HERA will result in a system that is three to four times larger than at present, better managed and better integrated, more flexible in providing opportunities for course transfer, more equitable, more financially self-reliant, more research-oriented, more focused on the commercialisation of research and training opportunities, more attuned to international benchmarks of quality, and more open to international engagement. In short, HERA seeks to achieve a comprehensive modernisation of Vietnam's higher education system by 2020. Thirty-two specific reform measures were endorsed in HERA, addressing nearly every aspect of the higher education system (Hayden & Lam, 2006). Of interest here are four measures that relate directly to reform of the system's governance.

One of these measures concerns conferring on public higher education institutions "legal autonomy in their operations, giving them the right to decide and be responsible for training, research, human resource management and budget planning". Though there is an absence of detail in HERA concerning the full extent of what is intended, commentary to date suggests that legal autonomy will mean that public higher education institutions can eventually determine their own training programmes, decide on their own research agendas, manage their own processes for selecting and appointing staff (including to the position of rector), and make their own budgetary arrangements. These developments will result in a significant transfer of decision-making authority from the state to the public higher education system.

A second measure is to "eliminate line-ministry control and develop a mechanism for having state ownership represented within public higher education institutions". This measure is coupled with a commitment to "ensure community-based monitoring and evaluation, involving unions and community groups especially in monitoring and evaluating higher education quality as it relates to career orientation". Eliminating line-ministry control is consistent with the proposed conferral of legal autonomy on public higher education institutions, and it will strongly reinforce the transfer of authority from the state to higher education institutions. In the absence of line-ministry control, public higher education institutions will need to assume responsibility for deciding on a diverse range of matters, including their strategic directions, their capital development plans, their management profile, their income and expenditure plans, and their quality assurance arrangements.

A third measure is to "focus State management on the implementation of the development strategy and on the development of a quality assurance and accreditation control for higher education; improve on the legislative and regulatory environment; accelerate the State's stewardship role in monitoring and inspecting the overall structure and scale of higher education, in order to satisfy the current and future demands of the country's labour force". Though difficult to interpret in the absence of further detail, this reform measure indicates, as will be discussed more fully later on, an official commitment to a new kind of relationship between the state

[13] Resolution no. 14/2005/NQ-CP, dated 2 November 2005, para. 2(a).

and the higher education system – one based on state supervision as opposed to state control.

A fourth measure is to "develop a Higher Education Law". The significance of this decision is that it shows that that the government recognises the need for a legislative framework that takes account of higher education's distinctiveness.

Implications and Challenges

Embedding Institutional Autonomy

The issue of control permeates discussion about higher education in Vietnam. While official policy favours "decentralisation of management to local agencies",[14] higher education institutions do not, in fact, have much institutional autonomy. Over recent years, there have been initiatives to increase their levels of autonomy, but these have either been modest in scope, for example, MOET delegating some of its financial decision-making responsibilities to the universities and colleges under its line-management control in response to a government directive,[15] or not very effective, for example, the prime minister requiring universities and colleges to establish their own governing councils. The current situation is one, therefore, in which the state makes all the important decisions – about training programmes, curriculum frameworks, enrolment quotas, tuition fees, expenditure norms (for public-sector institutions), and capital expenditure (for public-sector institutions). Except for the two national universities,[16] public-sector higher education institutions remain strongly accountable to MOET, as well as to their respective sponsoring ministries or provincial governments. Non-public higher education institutions remain accountable to MOET for the approval of their enrolment quotas, training programmes, and the setting of maximum tuition-fee levels.

Against this background, the decision to confer *legal autonomy* on public higher education institutions represents a very significant policy shift. It may be, however, that this policy shift will be slow to have impact. Ideally, legal autonomy for public higher education institutions would translate into meaningful levels of *institutional autonomy* for these institutions, as indicated by the existence of both *substantive autonomy* (being able to decide on their own academic goals and programmes) and *procedural autonomy* (being able to decide how they should utilise their resources) (Berdahl, 1990: 171–72). The concept of institutional autonomy is not widely understood in Vietnam, however, and there has been a marked tendency

[14] Law no. 38/2005/QH11, adopted by the National Assembly on 14 June 2005, Article 14.

[15] Decree no. 10/2002/ND-CP, and Inter-ministerial Circular no. 21/2003/TTLT-BTC&BGD-BNV.

[16] These two universities have autonomy in curriculum matters, though, in practice, they do not appear to exercise it very widely. They also have far more autonomy than other public-sector institutions in relation to their expenditure decisions.

to interpret it as referring only to a decentralisation of accountability for the management of resources. In the Education Law of 2005, for example, Article 14 provides that the state will "implement decentralisation of management to local agencies and enhance the autonomy and accountability of grassroots education establishments". It is evident throughout the Law, however, that this provision was not intended to provide higher education institutions with the freedom to decide for themselves on matters related to their academic goals and programmes (that is, substantive autonomy),[17] and it was only in a restricted sense that they were being permitted to decide on how they should allocate their resources (that is, procedural autonomy).

A further consideration is that most public higher education institutions in Vietnam do not have adequate administrative systems for the purposes of being able to exercise institutional autonomy effectively. Many do not yet even have a governing council. A sustained effort to build institutional capacity in this regard will be required. Whether or not it is prudent to try to build this capacity across all public universities and colleges is a matter that will need to be addressed. Some public universities and colleges are very small and could be better off being amalgamated to form larger institutions that are more able to invest in their governance infrastructure.[18] The issue of amalgamation of public higher education institutions is, however, politically sensitive, involving as it does the aspirations of provincial governments and of local municipalities, as well as, of course, the interests of some powerful ministries and of rectors. There are, in addition, particular problems in trying to achieve the successful amalgamation of institutions that are mono-disciplinary.

A delay in achieving institutional autonomy may also be expected on account of the need to provide for a clearer separation of powers between governing councils, party committees and the rectorate. The Charter for Higher Education Institutions lays down a foundation set of specifications for the roles and responsibilities of governing councils and rectors. On matters related to the role of the party, however, it provides limited guidance. According to draft guidelines attached to the Charter, the rector is supposed to develop strategic plans and projects that are consistent with party resolutions. The rector is then to submit these strategic plans and projects to the governing council of the institution so that the council can "advise the State bureaucracy or rector prior to issuing policies, regulations, curriculum and the university's organizational structure through public debates, discussions, and votes".[19] If, however, as now occurs in a growing number of instances, rectors also perform the role of party committee secretary for their institution, then any separation of powers

[17] In Article 41 of the Law, for example, MOET's role in "compiling and ratifying curricula used at universities" is enshrined – which is contrary to the ideal of a substantive autonomy.

[18] There is, of course, also a problem concerning public universities that have become too large for effective governance. The two national universities, for example, are now so large (in excess of 100,000 students) that they are required to rely heavily on a high level of self-governance by the constituent colleges.

[19] Role on "University Council" stipulated in University Regulations, in revised draft Charter, 2007, Section 3, Article 34.

between the rector and the party committee secretary is extinguished. Furthermore, if a party committee, which is entitled to contribute to institutional governance by being represented on a governing council by the party committee secretary, is permitted also to exercise a right of veto over decisions made by a governing council, then the point in having a governing council with a membership representing a wide range of stakeholder interests becomes questionable. These matters are difficult to address in Vietnam because the party is the leading force in the state. One possible solution might be for the party committee secretary (but not the rector) always to be appointed as chair of the institution's governing council, with one-half of the remaining members also being regular party committee members.[20]

Eliminating Line-Ministry Control

The decision to eliminate line-ministry control of public higher education institutions is radical for Vietnam. Line-ministry control is a deeply entrenched feature of the higher education system, and even an attempt during the 1990s simply to bring all public higher education institutions under the control of just one ministry, MOET, was strongly resisted by the other parties concerned. In this matter, as in the matter of granting institutional autonomy, Vietnam has been extremely cautious about embracing change. It is, in fact, one of the few former Soviet-bloc countries to have maintained line-ministry control over public higher education institutions. Hungary, for example, abolished line-ministry control in 1993, and China took the same decision in 1998. Vietnam is also one of the few remaining former Soviet-bloc countries not to have extended legal autonomy to its public higher education institutions.[21]

Eliminating line-ministry control will not, however, be a simple matter. For one thing, there will almost certainly be intense bureaucratic resistance. At present, line-ministry control of public higher education institutions provides many opportunities for access to benefits and privileges for the ministries concerned. Personnel departments within these ministries reap considerable gain from being able to recommend academic staff for senior appointments, including to the position of rector. Finance departments are similarly placed because of their capacity to influence budget allocations.[22] With line-ministry control removed, access to these benefits and

[20] This outcome is, to an extent, inevitable because, normally, only regular party committee members would hold positions as rectors, vice-rectors, deputy party secretaries, and heads of constituent colleges.

[21] For an account of the ways in which four former Soviet-bloc countries in Eastern Europe proceeded during the 1990s to abandon line-ministry control and to implement institutional autonomy in their public higher education systems, see File and Goedegebuure (2003).

[22] There exists a well-established "asking-approving" mechanism in Vietnam that characterises relationships between state instrumentalities. In the context of higher education, universities must *ask* MOET and the line-ministries to which they report for permissions and approvals in matters related to budget, projects, personnel, infrastructure, curriculum, and so on. Ministries then *approve*

privileges will disappear. Ways of getting around the reform may, therefore, be pursued. The decision in HERA to replace line-ministry control with "a mechanism for having State ownership represented within public higher education institutions" may, in fact, provide one such avenue for circumventing decentralised control. If this decision is interpreted to mean that there should be a significant, or even a majority, proportion of ministerial appointees on the governing councils of public higher education institutions, then line-ministry control, under a new guise, could well be reinvented.

The rectorate may also be resistant to the elimination of line-ministry control. Though, as reported earlier, rectors of public higher education institutions do not decide about matters related to the curriculum, its delivery, academic standards. or the conditions of academic work, they do make decisions about matters that impact significantly on the career opportunities of individual members of staff, and they also control discretionary funds made available to their institutions. They have considerable authority within their institutions, therefore, and their status is enhanced by the fact that they also occupy a significant position of authority within the bureaucracy of the state. The removal of line-ministry control will change the circumstances of their employment. Their burden of responsibilities will inevitably increase because policies and decisions now being determined centrally within ministries will need to be made by rectors, in consultation with an institutional governing council. Many rectors will have great difficulty in managing this change because the centralised system of budgets and management gave them no opportunity to develop relevant skills. Perhaps even more challenging will be their new line of accountability – to their institution's governing council. In this regard, they will be much more socially accountable because the membership of governing councils will reflect a wide range of stakeholder interests.

The decision to eliminate line-ministry control has been accompanied in HERA by a decision to "ensure community-based monitoring and evaluation, involving unions and community groups especially in monitoring and evaluating higher education quality as it relates to career orientation". Unions and community groups have not to date had much experience in formally and systematically monitoring and evaluating the quality of training programmes in higher education. A significant investment in capacity building will, therefore, be required. There are risks in what is being proposed. If unions and community groups were to begin to exert a significant influence over what is taught by higher education institutions, the impact on the professional autonomy of members of academic staff would be adverse. Furthermore, curriculum content might begin to be influenced by parochial considerations rather more than by international benchmarks of academic quality. There might also be a tendency to be too responsive to immediate labour market needs, ignoring in the process the long-term labour market needs of the economy.

"privileges", that is, they grant the permissions and approvals, but often only if intensively lobbied, including by means of "beneficial arrangements".

The elimination of line-ministry control will almost certainly create the need for new system-wide coordination mechanisms. At present, the forum within which all ministries can contribute to decision making about the coordination of higher education is the Cabinet. With elimination of line-ministry control, Cabinet will become less effective as a forum for making detailed decisions about how to implement national policies for higher education. In this circumstance, it would make sense either to delegate to MOET the responsibility for making recommendations to the government on a wide range of matters related to coordination of the higher education system (for example, allocating funds to higher education institutions, enforcing guidelines for national awards and qualifications, establishing system-wide initiatives to encourage excellence in teaching and research, and so on), or to establish an independent statutory body that coordinates the higher education system at arm's length from direct ministerial involvement, as happens, for example, with the National Council of Higher Education in Malaysia. There is little in HERA that indicates what the government may finally decide in this regard. The government should not, however, overlook the advantages in creating an independent body to implement necessary coordinating mechanisms for the higher education system. Ministries in Vietnam are quite powerful, and rivalry between them in seeking to influence the ways in which public funds are spent on higher education could best be arbitrated by an independent body, rather than by MOET. At the same time, however, any "buffer agency" established by the state would need to remain accountable to the government.

Redefining the Role of the State

The third of the HERA decisions addressed here contains a number of elements that collectively suggest a different future role for the state in relation to the higher education system. The state will, for example, focus on "implementation of the development strategy", "development of a quality assurance and accreditation control", "the legislative and regulatory environment", and "monitoring and inspecting the overall structure and scale of higher education, in order to satisfy the current and future demands of the country's labour force". There is also reference to a "stewardship role". The tone in these provisions is qualitatively different from the tone of Article 14 of the Education Law of 2005, which stated that: "The State exerts unified management of the national educational system with regard to the objectives, programs, contents and plan of education; the criteria for teachers, the regulations on examinations and the system of diplomas;. . .". What HERA has effectively signalled is that the role of the state in the governance of the higher education system will progressively change from being one of *control* to being one of *supervision*.

The transition from state control to state supervision is a familiar theme in the scholarly literature on the governance of higher education systems. Amaral and Magalhaes (2001: 14) report on the transition as it took place during the 1980s in Europe:

> . . . the model of state control has given way to the model of state supervision. In the state supervision model, central government administration downsizes its interference in

> the daily decisions of institutions which are given "autonomy", and government tries to promote the self-regulatory capacities of institutions, limiting its own activities to long distance steering.

Writing in more detail about the same phenomenon, DeBoer and Goedegebuure (2003: 210–211) report:

> In the state control model – traditionally found in continental Western Europe – the government is the overarching and highly powerful regulator of the system. In such systems the government controls nearly all aspects of the dynamics of higher education. It regulates access conditions, the curriculum, the degree requirements, the examination systems, the appointment of academic staff, etc. The government finds legitimisation for the detailed control of the system in its self-proclaimed task to steer and further the nation's economy. The state control model reigned supreme in the 1970s, as described earlier. In the state-supervising model – traditionally found in the US and the UK – government's role is more limited. The government sees its task only as supervising the higher education system in terms of assuring (academic) quality and maintaining a certain level of accountability for the use of public funds. It respects the autonomy of institutions and stimulates their self-regulating capabilities. This model found increased resonance in continental Western Europe from the mid-1980s onwards.

DeBoer and Goedegebuure proceed to describe more recent augmentations of the state-supervising model. These augmentations include the selective use of market mechanisms (competition, tendering, differential funding) to achieve general efficiencies as well as particular outcomes, increasingly sophisticated accountability requirements to achieve compliance with quality standards, and strong financial incentives for the commercialisation of research.

Vietnam's higher education system is very much at an early stage of what for it will be an immense transition. Once triggered, the transition will develop its own momentum, and the speed with which it occurs will be intensified by Vietnam's need to transform its economy and labour force so that both are more internationally competitive. At the same time, there will be the drag effect of limited resources to pay for capacity building, and there will be enormous pressure associated with refining the operation of governance infrastructures and developing functional accountability relationships.

The government may wish to regulate the transition very carefully – in this regard, its tendency to be cautious in reforming the higher education system may prove to be a virtue. Strict conditionality in removing higher education institutions from centralised state control appears to be warranted. In particular, the state should not extend institutional autonomy to any higher education institution until it has a strong sense of *trust* in the institution's decision-making structures, the capabilities of its decision makers, the incorruptibility of its decision-making environment, the robustness of its institutional audit processes, and the strength of its internal, line-management accountability systems.

It is important in this regard for Vietnam to learn from the experience of other comparable higher education systems with recent experience of making the transition from state control to state supervision of their higher education systems. Based

on the experience of the Czech Republic, Poland, Slovenia, and Hungary, all former Soviet-bloc countries, De Boer and Goedegebuure (2003: 228–229) observed that:

> The reality is that in many of the institutions in the four systems, there is a serious lack of formal authority at the central institutional level to take decisions and to implement them. There is also no strong tradition of professional institutional administration. And the core academic staff is "appreciative" of being steered. The "steering capacity" that has been devolved in the system to an extent then disappears into black holes of academic decision-making; the energy gets lost and the overall system underperforms.

In Vietnam, governing councils of higher education institutions need to be made fully operational as soon as possible. It should then be up to them to convince the state that their institutions are ready to become self-governing, thereby enabling them to shift to a different form of relationship with the state.

A Higher Education Law

A higher education law is important because there are a great many issues concerning institutional autonomy, academic freedom, quality assurance, strategic planning, and the attainment of equity of access that have particular significance in the context of higher education, but which are not easily addressed in more general legislation, such as the Education Law of 2005. HERA provides no indication as to what might be included in a higher education law, and it is difficult at this point to prescribe what should be included, other than in a general sense.

There is certainly a pressing need for the law to take account of the particular circumstances of the non-public sector of higher education. The non-public sector is all but ignored by HERA – apart from indicating that by 2020 this sector will enrol 40% of all higher education students. The issue of how the non-public sector will relate to the state over coming years is urgently in need of attention, as is the matter of whether or not the non-public sector should operate on a "for-profit" basis.

The law must also address the aims of higher education. At present, higher education is subject to Article 2 of the Education Law of 2005 which prescribes that:

> Education aims at achieving all-round morally, intellectually, physically grown persons who are loyal to the ideal of national independence and socialism; developing and cultivating personalities, qualities and abilities to meet the need for building and defending the Nation.

The generic nature of this statement of aims limits its applicability and impact in the context of higher education. Higher education institutions are not, for example, likely to be concerned with achieving "physically grown persons", and the extent to which they can achieve morally grown persons is limited. More broadly, the statement is not well integrated with education frameworks globally. UNESCO, for example, espouses four pillars of learning: learning to know, learning to do, learning to live, and learning to be. Embedding these goals in the proposed new higher education law would contribute significantly to the modernisation of the system because these kinds of goals give expression to universal aspirations and provide a strong

foundation for the adoption of holistic approaches to curriculum planning and the development of the general capabilities of graduates.

Conclusion

Vietnam is at an early stage in terms of the modernisation of governance of its higher education system. The system remains centrally controlled, more or less in the Soviet mould, and a small non-public (effectively, a private) sector has been allowed to develop to address the problem of unmet demand for higher education. The system is not in great shape, however, as was officially acknowledged in the preamble to HERA, which acknowledged that the system had not:

> risen to the level of meeting the people's demands for learning, industrialization, modernization and global integration. It is necessary to overcome many weaknesses and shortcomings in sector management, system structure, higher education institution network, training process, teaching and learning methodology, teaching staff, education managers, and resource use, as well as corruption in exams and degree issuance and other education activities.

Accordingly, HERA proposed sweeping reforms for the system, among which were reforms of the system's governance. These included measures to confer legal autonomy on public higher education institutions and to eliminate line-ministry control. More broadly, HERA has signalled that the relationship between the state and the higher education system must change, from one characterised by state control of the system to one characterised by state supervision.

A critical issue of governance in the context of higher education concerns institutional autonomy. In this regard, what is happening in Vietnam is remarkable for the insights it provides about a higher education system in the process of obtaining more institutional autonomy. The government has clearly decided that freeing itself of direct control of the higher education system, thereby making higher education institutions more responsible for their own sustainability, will have a positive impact on a sector that is of significant national economic importance as a source of new knowledge and of labour market expertise. At the same time, however, the government has no experience of what institutional autonomy implies. Furthermore, it faces a significant challenge in having to develop an infrastructure of institutional self-governance, build expertise, harmonise relevant legislative and regulatory provisions, and codify a wide range of accountability relationships so that governing boards, rectors, and government instrumentalities know precisely how they are accountable to one another. There is also the potentially difficult challenge of determining the role of the party with respect to institutional self-governance, and, more broadly, with respect to whether the [arty or individual higher education institutions should be deciding what is taught in the curriculum.[23]

[23] A possible tension line could be in relation to the compulsory examination of knowledge about Marxism-Leninism in all undergraduate training programmes.

There is no set template for institutional autonomy in higher education. Vietnam is, therefore, on a voyage of discovery that will result in a form of institutional autonomy that best meets its circumstances. There is no doubt that institutional autonomy is a necessary element in the modernisation of the higher education system in Vietnam. Institutional autonomy is, however, a right granted by the state to individual higher education institutions. Though it provides higher education institutions with enormous freedom, including potentially academic freedom, it also imposes obligations on them in relation to the state. Having regard to the present circumstances of higher education in Vietnam, and taking into account the recent experiences of other former Soviet-bloc countries, it would be advisable for the government to drive a hard bargain with individual higher education institutions whereby the availability of institutional autonomy is made strictly conditional upon the existence of rigorous systems and protocols for internal accountability and for good institutional governance.

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Chapter 10
Processes for Strategic Planning in Vietnam's Higher Education System

Larry Smith and Nguyen Quang Dong

Introduction

Strategic planning for higher education is a recent activity in Vietnam. National development policies and strategies for education have been formalized on many occasions since 1946, but it was not until 1982 that higher education was overtly incorporated into a national policy and strategy for education. The provisions agreed to at that time were, however, concerned primarily with issues of short-term governance and the resourcing of higher education, rather than with establishing a strategic direction and attendant policy. The notion of a 'strategy' for higher education in Vietnam focused repeatedly on annual administrative and training plans at the institutional level – a situation that continued until 2001 when, for the first time, there was an overt connection established between the development of a network of 'quality' universities and the socio-economic development and the regional and global competitiveness of the nation. The government's commitment to a transformation of higher education has been strong since then and has been underpinned by ambitious goals for the higher education system. The government's enthusiasm for addressing the quality and productivity of the system has been driven by a genuine desire to significantly improve the professional capability and quality of life of the Vietnamese people as quickly and effectively as possible. However, enthusiasm of this nature that is not harnessed by strong and relevant strategy rarely achieves success. Therein lies the current threat for Vietnam.

Strategic Planning

Strategic planning is a disciplined process that seeks to formalize a medium- to long-term direction for a system or institution. The ultimate purpose of this planning in the context of higher education is to improve the contribution of the university sector

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to the economic and social capacity and performance of the nation and to maximize work and life opportunities for students.

Central to the concept of a strategic plan is the notion of change and the application of creative thinking. A plan for the future that does not embrace a desire to change structures, processes, roles and attitudes in a constructive and innovative manner in order to improve performance, quality and relevance is little more than a business management plan. In a world of rapid, pervasive and fundamental change characterized by an exponential growth in the use of information technology and escalating competition on a global scale, strategy – to paraphrase Tom Peters – is everything.

Particularly in a developing country such as Vietnam, strategic planning in higher education is also about leadership. If Vietnam is to position itself as a major player in both the regional and global economies, and if the social and economic well-being of its people is to be improved, then much will depend on the strategic capacity of its higher education system. The higher education system will be expected to lead the way in relevant high-level research, and it will be expected to provide the innovative and highly skilled graduates to lead Vietnam's major industries, professions and developmental projects. Effective strategic planning is the mechanism that will allow the higher education system in Vietnam to deliver on its critical leadership role for the country.

Strategic plans typically involve at least five components: a clear and articulated vision of how the system or institution will be positioned in the future; a set of goals or objectives necessary to attain the vision; a set of processes and tactics for achieving each of the goals or objectives; a plan for identifying and providing the resources necessary to implement those processes; and a mechanism for providing regular constructive feedback on progress towards the attainment of the goals.

The Vision for Higher Education in Vietnam

In 2005, the Vietnamese government released its Higher Education Reform Agenda (HERA) for the period from 2006 to 2020.[1] HERA identifies a desire to make major improvements to the higher education system by 2020 as a vehicle for harnessing the intellectual potential of the Vietnamese people. The attendant strategy document is titled *The Substantial and Comprehensive Renewal of Vietnam's Higher Education in the 2006–2010 Period* and suggests that the reform agenda will

> substantially and comprehensively renew higher education and make substantial changes in quality, efficiency and scale in order to meet the requirements from national industrialization and modernization, international economic integration and people's learning demands.

This statement is, however, a statement of goal, and not a statement of strategic vision. It identifies, at a very high level of aggregation, some changes that will be pursued, but does not make explicit how the higher education system will be

[1] Resolution no. 14/2005/NQ-CP, dated 2 November 2005.

positioned in 2020 and, in simple terms, what it will look like, and what it will be doing, and why. The closest that the document comes to a clear vision statement is a single, vague sentence:

> By 2020, Vietnam's tertiary education shall attain the regional advanced standards, approach the world's advanced level, be competitive and suit the socialist-oriented market mechanism.

Hayden and Lam (2006: 11), who have analysed the HERA documentation in depth, have synthesized from the text a somewhat more comprehensive understanding of the vision for higher education in Vietnam:

> In broad outline, the higher education reform agenda envisages a system that by 2020 is three to four times larger than at present, better managed and better integrated, more flexible in providing opportunities for course transfer, more equitable, more financially self-reliant, more research oriented, more focused on the commercialization of research and training opportunities, more attuned to international benchmarks of quality, and more open to international engagement.

Four key issues arise from available statements relating to a vision for higher education in Vietnam. First, the existing 'vision' is detail-poor, and as a consequence provides a nebulous target towards which to aim. Further, HERA does not provide a comprehensive vision for higher education, but rather identifies some individual elements, each of which would seem meritorious and each of which possibly contributes to a vision, but which collectively only convey part of the picture. There is also no indication regarding how those elements are meant to interact in order to contribute to an integrated and holistic vision for higher education. The lack of a clear and comprehensive vision – the mental picture of an efficient and effective future higher education system – has profound consequences for the other elements of the strategic planning process, because if the vision is not clear, then the goals, implementation processes, resourcing considerations and review mechanisms that flow from that vision will necessarily also lack precision. It is hard to hit the bull's-eye if the target is shrouded in mist!

Second, there is little evidence that the vision for the future of higher education in Vietnam has emerged from a rigorous strategic and competitive analysis of the current and emerging internal and external environments of both the country and the sector. Such an analysis is essential for many reasons: it establishes what is necessary and desirable; it confirms what is realistic and possible (given a range of social, cultural, economic and educational opportunities and constraints); it highlights how higher education can promote the future development of the country and, in turn, it shows how the future development of the country can be a catalyst for the development of the higher education system; it provides insights into strategic alliances and networks that may be needed; it can unearth new markets or market mechanisms; and it identifies what structural, procedural and attitudinal changes may be needed in order to progress.

Third, it is difficult to ascertain just how the vision – for all its shortcomings – was developed. There is little transparency regarding who was involved in developing the strategy, who was consulted and what the actual consultation process was. The vision has been communicated in official documents and directives in an essentially

'top down' manner, without any of this explanation. The problem that arises here is one of ownership. If those who ultimately are required to implement the Reform Agenda (such as academic staff, administrators and students in the universities) have not had input to the development of the vision, and do not have knowledge of how the vision was developed, or by whom, or why, then it is unlikely that they will have a high level of commitment to its implementation, particularly if they do not fully agree with it.

Fourth, the vision as currently articulated says very little about the needs of either students or teachers in the higher education system, or about the learning environment. Quite simply, irrespective of the best intentions by the government, Vietnam will find it difficult to deliver high-quality research and high-quality student outcomes from its universities unless the learning and teaching processes, resources and general environment of those universities are of the highest possible standard. A comprehensive and appropriate vision for the future of higher education in Vietnam must include these aspects if the university sector and the country generally are to realize their potential.

Objectives for the Higher Education System

HERA contained 32 concrete objectives for the higher education system in Vietnam for the period 2006–2020. These objectives are remarkably comprehensive, targeting all aspects of the system. They vary significantly, however, in their level of specificity, with some being extremely precise and others exhibiting marked ambiguity.

Key areas addressed by the objectives include the following:

- the establishment of a national network of universities and colleges, classified according to their functions and training focus, and with cooperation and collaboration as a characteristic;
- institutional autonomy for public higher education institutions, including the withdrawal of line-ministry control, providing them with 'the right to decide and be responsible for training, research, human resource management and budget planning';
- expansion of non-public (private) higher education institutions, with that sector to account for 30 per cent of all higher education enrolments by 2010 and 40 per cent by 2020;
- diversification and escalation of institutional revenue activities, particularly through increased contract services and the commercialization of scientific, technological, production and service provision – the target is that 15 per cent of the total revenue for tertiary education institutions by 2010, and 25 per cent by 2020, will come from entrepreneurial activity;
- establishment of a national system of quality assurance and accreditation for higher education;

- an increased focus on research and research training;
- increased higher education enrolments – the target is to increase the number of students in higher education to 200 students per 10,000 population by 2010 and to 450 students per 10,000 population by 2020. Further, targets have been set to increase the number of students enrolled in master's-level and doctoral degrees;
- improved levels of qualification for academic staff in universities, with specific targets that by 2010 as many as 40 per cent of lecturers will have a master's-level qualification and 25 per cent will have a doctoral qualification, and that by 2020 as many as 60 per cent of lecturers will have a master's-level qualification and 35 per cent will have a doctoral qualification;
- an increased focus on scientific and technological aspects of the university curriculum; and
- the formulation of a higher education law, with a view of bringing together into a single document the range of decrees, constitutions and policies currently impacting the system.

These objectives are, individually and collectively, worthy goals for the higher education system and the nation. However, for a country that is starting from such a low resource and infrastructure base (it must be remembered that Vietnam was only unified in 1975 following an extended period of warfare and social upheaval), the set of objectives would seem somewhat ambitious. Indeed, to a large extent, the objectives appear to be more of a wish list than a set of integrated goals tempered by reality and integrated by strategy. It is difficult to find confidence that Vietnam has the human and financial resource capacity to deliver the stated objectives within the proposed timelines.

Once again, there is little transparency regarding how the objectives were developed or endorsed, and there is little evidence that they have resulted from a rigorous analysis of the internal and external environments. Lack of ownership may not, however, be the problem here, because, intuitively, many of the objectives are likely to be appealing to institutions and staff, particularly those objectives that seek to increase institutional and academic autonomy. The real problem may be the raising of expectations that cannot be fulfilled and the frustration and de-motivation that can flow from the dissonance. There would appear to be a strong argument for Vietnam to temper its ambitious programme of reform and to be more patient and more strategic about positioning the country for the future. In particular, there would appear to be considerable advantage in the country revisiting the set of objectives for higher education with a view to setting a smaller number of more achievable objectives, linked to more conservative targets and realistic timelines.

Processes for Implementing the Objectives

The big gap in Vietnam's HERA is the lack of any detailed explanations or suggestions regarding how the 32 specific reform objectives are to be implemented. The documentation accompanying HERA is quite detailed concerning the rationale for

the objectives, but is remarkably silent about their implementation, as indeed is the 2005 Education Law which provides regulations to support HERA but which does not provide any clear indication of the processes to be employed for implementing a strategy.

To a large extent, the lack of clear processes for implementing the higher education strategy is to be expected, given issues associated with the strategic vision and objectives, as discussed above, and given also some difficult resourcing and quality assurance issues. If, as is the case in Vietnam, the objectives are overly optimistic – if they are beyond the financial and intellectual and skills resources of the country, at least in terms of the accompanying timelines – then it simply is not possible to construct authentic processes for achieving those objectives. Further, without a clearly defined plan for implementing the Reform Agenda, and without a clear understanding of what needs to be done and what human and physical resources will be needed, it is not possible to make the informed budgetary decisions necessary to support and promote strategic change.

The danger is that without clearly defined processes for implementing the objectives, there will be no substantial and coordinated progress. Improvements that do occur are more likely to be ad hoc rather than strategic. A plan for implementing objectives – at least at the level of identifying the steps to be taken, when and by whom – is central to any effective strategic planning process. The fact that there are no clearly identifiable processes for implementing the objectives, and indeed no strong sense at all regarding what those processes might be, highlights significant weaknesses in the development and potential implementation of the Reform Agenda for higher education in Vietnam. It is reasonable to assert that the lack of attention to implementation planning is, more broadly, a characteristic of all facets of public life in Vietnam and reflects in large part a serious lack of expertise in this area across the country.

Resourcing the Strategic Plan

In December 2007, the Deputy Prime Minister and Minister of Education and Training, Dr Nguyen Thien Nhan, reported on Vietnam's limited economic capacity in relation to education.[2] He reported that average expenditure on higher education in 2007 was just under US $400 per student per year. He observed also, however, that there was significant recent growth in both public and private educational expenditure. Public expenditure on education had increased from 4.2 per cent of Gross Domestic Product (GDP) in 2000 to 5.6 per cent in 2006, while total expenditure (public and private) had reached 7.5 per cent of GDP in 2006. Expenditure for kindergarten and general education, however, accounts for 71 per cent of the total education budget, with technical and higher education combined accounting for only 15 per cent of all expenditure.

[2] Paper presented at the Regional Higher Education Conference, Kuala Lumpur, December 2007.

Against this background, it seems clear that Vietnam simply does not have sufficient financial resources to implement HERA, as currently articulated, even if there were to be more clarity about the implementation processes. Quality cannot be delivered with severely restricted resources, particularly when the Reform Agenda requires not only very significant improvements in the quality of higher education delivered and in the quality of graduate outcomes, but also a very significant growth in the number of students and academic staff. Significant additional funding has been sought and obtained from organizations such as The World Bank, The Asian Development Bank and the Ford Foundation, but these organizations tend to provide a short-term safety net to assist development rather than long-term solutions. Further, funds from external sources generally have strict guidelines for expenditure and accountability. Restrictions on expenditure are likely to constrain to some extent Vietnam's capacity to pursue exclusively the attainment of objectives that it alone has determined to be of high priority.

As a consequence, it becomes necessary for Vietnam to attract significantly increased funding from the nation's private sector. According to Dr Nguyen Thien Nhan, private sector expenditure has more than doubled since 2000. In terms of relative expenditure on education, however, the importance of private expenditure has declined, from 28.5 per cent of all expenditure in 2000 to 25 per cent of all expenditure in 2006. The reality is that the financial resources of the Vietnamese private sector are also very limited, and are already very stretched, which makes the objective of increasing private sector enrolments to 30 per cent by 2010 and 40 per cent by 2020, highly problematic, particularly as there is no clearly articulated plan for achieving this outcome.

Another consequence of limited government finances is that Vietnam's higher education institutions will have to significantly diversify and expand their commercial revenue-generation activities, particularly through increased contract services and the commercialization of scientific, technological, production and service provision. This is a clearly stated objective of HERA, with associated targets for the system of 15 per cent of total revenue from institution-based entrepreneurial activity by 2010 and 25 per cent by 2020. This strategy for increasing revenue is, however, significantly constrained by the current dearth of quality academic staff, and quality research and development, in Vietnamese universities. Dr Nguyen Thien Nhan openly admitted in his Kuala Lumpur address that Vietnamese academics and university graduates generally are of poor quality when compared to other nations in the region and that the level of research and technological development in Vietnam still rates well behind most of its international competitors. Dr Nguyen cited the example of three international companies willing to invest over US $2 billion in Vietnam, but needing over 3,000 engineers that cannot be provided at the required standard through the Vietnamese higher education system.

The increased commercial focus for higher education raises the difficult issue of how to go about significantly improving the quality of academic staff in Vietnam's higher education institutions. If Vietnamese academics are to attain the international standards demanded by both HERA and the economic strategy for the country

generally, then staff of international standing must be attracted to Vietnam to train them, or high numbers of Vietnamese academics must be sent to quality overseas universities to undertake significant training in their disciplines. Neither solution is easy to implement, at least within a relatively short time frame. On the one hand, Vietnam simply does not have the money to support overseas training for the number of staff that would be necessary, and further, Vietnamese higher education institutions could not afford to be denuded of many of their best staff for a number of years while they were overseas improving their qualifications. On the other hand, Vietnam cannot afford to offer the employment packages necessary to attract the number of quality academics from other countries that would be necessary to leverage the improvements in academic standards required by the sector and the nation. The situation is exacerbated by the fact that wages for university academics generally are significantly less than those paid to people in business with comparable qualifications. The dilemma of ensuring high-quality academic staff has not been addressed in any authentic way in strategic planning for the higher education sector in Vietnam. Unless it is, very few of the 32 objectives in HERA have a strong chance of success.

The lack of international standard infrastructure to support learning and research is another significant and problematic issue for Vietnam's strategic plans for its higher education system. By international standards, facilities in most universities do not provide attractive environments for learning: most of the equipment for teaching and research is inadequate and antiquated, libraries are poorly stocked, curriculum documents are in desperate need of revision, information technology systems lack reliability and are not always accessible and research funds are limited. The strategic plan acknowledges these issues, but offers no plan for resourcing improvement.

In summary, then, strategic plans for the higher education system in Vietnam lack a clear and realistic resource strategy. It must be recognized, however, that without a clear articulation not only of what is to be achieved but also of how it is to be achieved, it is not possible to resource appropriately or adequately the objectives and attendant initiatives of the system. On the other hand, without a sense of what funds might be available, it is difficult to construct a realistic set of attainable objectives. Indeed, given the severe limitations on available funding, it is clear that the HERA contains too many objectives seeking to achieve too many unattainable targets within too many unrealistic timelines. This problem reflects the poor strategic planning processes and procedures.

Mechanisms for Assessing Progress

The process of strategic planning includes the development of mechanisms for assessing progress towards the achievement of strategic objectives. These mechanisms provide feedback to both policy makers and practitioners regarding how effectively the processes for implementing desired objectives are working, and allow modifications to policy and practice to be made in the light of the information

collected. The mechanisms also provide public accountability for the appropriate and effective expenditure of funds, particularly those coming from public or donor agencies. Further, the assessment mechanisms associated with strategic planning allow individual institutions to compare their performance against other institutions and the system as a whole, and thus to target areas for improvement.

There is no evidence that a substantive system of review has been established specifically to provide feedback on the effective and efficient implementation of HERA in Vietnam. A system for the regular collection of performance information at both the institution and system levels does exist in Vietnam, and it would seem that the intention is to use this existing performance evaluation framework to provide feedback regarding the implementation of HERA. Making inferences about strategic progress on the basis of information not specifically developed for that purpose is, however, fraught with dangers regarding the integrity of the information and the validity of subsequent interpretations.

There are significant concerns regarding the current collection of performance data for use in strategic planning for the higher education system in Vietnam. Smith (2005) identified these concerns as follows:

- There is little evidence to indicate that the data collection, analysis and reporting processes for higher education in Vietnam reflect a clearly conceptualized plan for addressing the critical information needs of the system. Rather, the current approach appears to be to collect as much information on as many aspects of the system as possible and to publish the results.
- Information collection, analysis and reporting processes for higher education in Vietnam do not facilitate or support trend analyses. Trend analyses are extremely important tools for strategic planning because they assist decision makers and practitioners to predict future situations and to assess the potential impact or effectiveness of particular initiatives or events. Nevertheless, rigorous trend analyses are not currently possible for the Vietnamese higher education system because statistics collected across time are not always specified in the same way and are not always collected and analysed according to similar parameters; that is, current data collection and analysis methods do not legitimately allow 'apples to be compared with apples'.
- Major strategic decisions are being made on the assumption that statistical analyses, inferences and conclusions are valid and accurate, when the reality is that the underpinning data resources frequently are insufficient or of suspect validity.
- Currently, there are at least four different agencies, each with its own way of collecting data, together with all of the higher education institutions themselves, collecting data on the higher education system in Vietnam. The potential for statistical error is, as a consequence, very high.
- Significant difficulties exist with respect to the reliability, timeliness and accuracy of data collection because of issues linked to the quality and reliability of information technology systems for higher education.
- Little information is collected from students regarding the quality of the teaching, learning support and learning environment they experience during their studies.

- It is difficult for system and institutional administrators and decision makers to access relevant and timely information. In particular, it is difficult to identify where information is held, who holds it and what protocols are necessary to access it. These difficulties do not appear to be linked to any deliberate attempt to obstruct access to the data, but rather are a reflection of totally inadequate data storage and retrieval mechanisms.

Regional Comparisons

Other countries in Southeast Asia, such as Thailand and Singapore, have faced similar issues and imperatives to Vietnam regarding higher education reform. These countries have, however, taken somewhat different approaches to strategic planning for their higher education systems.

Thailand, a kingdom of over 65 million people, with a recent history of significant political unrest, has over two million higher education students, many of which are in sub-degree institutions such as community and vocational education colleges. Currently, there are 123 'degree level institutions' (universities) in Thailand. In similar vein to Vietnam, the Thai government is strongly focussed on significantly improving the professional capability of the Thai people as a way of leveraging the economic productivity and competitiveness of the nation. As with Vietnam, however, the higher education system currently has neither the capacity nor the capability to respond to the social and economic needs of a rapidly developing nation. Expenditure on higher education is around 15 per cent of the total education budget – about the same as in Vietnam. Major issues of concern confronting the higher education system in Thailand include the following:

> lack of unity in policy, goals and direction representing a succinct overall picture; absence of a strong and effective state system/mechanism to monitor and evaluate performance; lack of a mechanism to support and assist institutions in initiating and developing innovations; . . . a lack of flexibility and efficiency; and the absence of cooperation within and outside the institutions (OEC, 2007: 7).

These concerns are very similar to those confronting the higher education system in Vietnam.

In December 2002, the Thai government established an Education Reform Steering Committee (ESRC), with the deputy prime minister as Chair. The primary purpose of the ERSC with respect to higher education is to develop and continuously review the strategy for higher education reform in Thailand. The Committee is supported by a number of task forces, the major responsibility of which is to provide information to assist the development and review of strategy. Feedback from stakeholders at all levels is part of the information collected by the task forces. Detailed strategic plans currently exist and are being enacted across the following areas: structural reform of universities; administrative and managerial systems; financing; staffing; student access; quality of teaching, learning and curriculum; research (with an emphasis on applied research); professional development; and

private sector participation. It is still too early to evaluate the success of these strategies, but it is noteworthy that although the context for higher education reform is similar in Thailand to Vietnam, the Thai government started its process of reform by developing and articulating a clear strategic plan detailing how objectives are to be implemented and resourced, and addressing key issues such as staff capacity and quality of teaching. There are also clearly established mechanisms for providing timely feedback on performance.

Singapore consists of 64 islands with a total area of just 1,000 square kilometres, but with a population approaching 5 million. At the time of its independence from Britain in 1965, Singapore was characterized by very high unemployment, high levels of poverty and a workforce that generally had experienced little quality education. Within 40 years, Singapore has transformed itself into what the International Monetary Fund (IMF) now identifies as being an advanced economy. It has achieved this outcome largely though its investment in its education system, particularly its higher education system. The Singaporean government recognized at a very early stage that the only real resource the country possessed to drive economic and social growth was the quality and capacity of its human capital, and thus a strategic decision was taken to invest heavily in education and vocational training. The vision for Singapore was that, through its education strategy, it would 'develop a knowledge-based economy which will transform it into a global hub of knowledge-driven industries with world-class capabilities' (Sanderson, 2002: 94). Detailed strategic plans for the higher education system were developed and implemented, aided by the capacity of the government to exercise influence at all levels of activity.

The transformation of higher education in Singapore was underpinned by a number of powerful and arguably innovative strategic decisions. First, English was established as the major language of commerce, technology, administration and the workplace because it was considered fundamental to the successful engagement of Singapore and its people in international education and business. Second, an international advisory panel was established in 1997 to advise on processes for transforming the National University of Singapore (NUS) and Nanyang Technological University (NTU) into world-class universities. As part of the transformation, the Singaporean government directed significant funds towards the recruitment of scholars and researchers of high international standing to these universities, and it changed the focus of learning and teaching from the transmission of knowledge to the development of critical and innovative thinking. Third, scholarships were provided to assist and encourage students to earn degrees from prestigious foreign universities. Fourth, subsidies (currently of around S$130 million) were introduced to encourage overseas students to study in Singapore, but with the interesting feature that all overseas students studying under subsidy in Singapore were 'bonded' to work and contribute to the economic growth of Singapore for a period of three years upon completion of their study. Fifth, the Singaporean government negotiated with a number of the world's leading universities, including Harvard University and the Johns Hopkins Medical School, to establish centres of excellence in Singapore in scholarship and research, with partnership arrangements with both Singapore universities and industry.

The comparisons with Thailand and Singapore, both countries that faced similar contextual challenges and opportunities to those being faced by Vietnam, would seem to reaffirm the importance for Vietnam to develop and to disseminate a clearly articulated strategic vision for higher education, to think laterally and creatively about how to achieve that vision and to understand the centrality of appropriate human resource development to the economic and social future of the country.

Conclusion

The current strategic plan for higher education in Vietnam, HERA, which is intended to position the system for 2020, lacks a clear vision, involves a large number of overly ambitious objectives, provides little detail on how the objectives will be implemented or resourced and has no strong mechanism for providing timely and constructive feedback on performance. When the inadequacy of existing human and physical resources, administrative infrastructure, technology systems and available funding are added to the equation, it is very difficult to see how Vietnam will achieve the outcomes it is seeking to achieve from its higher education system, at least by 2020.

The Vietnamese higher education sector is, however, remarkable for its energy and enthusiasm, at both the system and institutional levels. The major difficulty is with the lack of rigour and process with respect to strategic planning, and it does not reflect the level of commitment nor the potential of the system to attain regional and even international standing. The government is simply trying to do too much too quickly, and it is trying to achieve significant outcomes without the benefit of a robust strategic planning process to guide decisions and activities, and without sufficient funds to support strategic objectives. Ambition and impatience are, in effect, overpowering reality.

Strategic planning is a disciplined and rigorous process, but it is not necessarily either a costly or a time-intensive process. It is a process that does and should allow access for stakeholders from all levels of the higher education system – the process itself actually creates ownership and commitment. The higher education system in Vietnam has enormous potential, in terms of both its own performance and its contribution to the nation. That potential will not be realized until there is a strong and realistic strategic plan for the future. Such a plan must focus quite strongly on the details of how reform can and will be implemented.

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Chapter 11
Processes of Modernisation in Two Public Universities in Vietnam: University Managers' Perspectives

Ta Thai Anh and Richard Winter

Introduction

Various recent accounts of change in Vietnam's higher education system have focused on change at the national level (Pham and Fry, 2004; St. George, 2007; Hayden and Lam, 2007). What tends to have been largely ignored are the kinds of changes taking place within Vietnam's universities, particularly from the point of view of their strategic management. It is, however, important to understand the nature and extent of pressures for change at the institutional level, particularly in light of the official drive to make Vietnam's universities play a more central role in the development of a modern economy. This chapter draws on interviews with managers of two public universities in Hanoi for the purposes of throwing light on the impact of official policies on these institutions. Specifically, it aims to document key processes of modernisation that shape the strategies Vietnam's public universities are adopting. The timeframe for the research is from 2000 onwards, this being a landmark year for Vietnam's higher education system given the launch of the Higher Education Development Strategy 2001–2010.[1]

The Case Studies

Traditionally, the function of Vietnamese universities has been to provide both long-term and short-term training programmes focused on the development of human resources in response to specific national development needs.[2] The state has always

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[1] Decision of the prime minister on the approval of "The Education Development Strategic Plan for 2001–2010". Decision no. 201/2001/QD-TTG, 28 December 2001.

[2] In Vietnam, "education" refers to primary and secondary education, while "training" refers to higher education. This is reflected in the name of the Ministry of Education and Training (MOET).

G. Harman et al. (eds.), *Reforming Higher Education in Vietnam*, Higher Education Dynamics 29, DOI 10.1007/978-90-481-3694-0_11,

played an important role in regulating attendance at these programmes and in determining the staffing needs of particular institutions. Research was a responsibility assigned to independent research institutes, as well as to institutes within ministries. Following reforms in the early 1990s, in the aftermath of adoption of the policy of *doi moi* in 1986, multi-disciplinary public universities began to be developed nationally and regionally. A non-public sector of higher education was also established. These developments, in combination with the rapid growth of the system that occurred in the early 1990s, have resulted in a system that is now quite varied. By 2006/2007, there were 139 universities in Vietnam, of which 30 (22 percent) were non-public.[3] The larger of the public universities are multi-disciplinary in terms of the range of training programmes offered.

Two public universities, both located in Hanoi, provide the case study material reported in this chapter. The two universities, Hanoi University (HANU) and the Hanoi University of Technology (HUT), were selected for investigation because of the distinctiveness of their development strategies since 2000. One of them is among a small group of 14 universities that have been accorded key university status by the state.[4] In terms of the distinctiveness of their development strategies, HANU is proactively engaged in multi-disciplinary expansion through the internationalisation of its educational programmes, while HUT has a focus on the development of a strong research culture. Both universities have in common a focus upon being nationally and internationally recognised for their achievements, and both offer a comprehensive range of training programmes including programmes with English as the language of instruction.

In mid-2007, the first-named author conducted 20 semi-structured interviews with senior managers (rectors, vice-rectors) and middle managers (deans, heads of department) from the two universities. She also attended various workshops and seminars as an observer. The interviews were, on average, of one hour in duration, and they were digitally recorded and transcribed in Vietnamese to capture the respondents' interpretations very precisely and to ensure that the social interaction in the interview did not suffer (Holstein and Gubrium, 1995). The questions framing each interview were intended to explore managers' perceptions of and perspectives on changes to their institution since 2000, the institutional development strategy they adopted, the constraints they faced in performing their roles, and the impact of official policies. The data were analysed in relation to three broad themes: multi-disciplinary expansion through internationalisation of the education programme, the development of a research culture, and university managers' perceptions of market-change processes that might explain the two former themes. In conducting the interviews, due account was taken of the separate roles of rectors, who were assumed to have the most comprehensive knowledge of strategic changes in their

[3] See http://www.moet.gov.vn/?page=11.10&view=9266 for details.

[4] Key university status is an official recognition of the leadership role of the university in the process of modernising Vietnam's higher education system. More details about key universities in Vietnam can be found in Hayden and Lam (2007).

universities, and deans and heads of departments, who were seen not only as the agents and recipients of change but also as important bridging channels between senior management and academics (Gmelch et al. 1999; Ramsden, 1998).

Hanoi University – A Story of Multi-disciplinary Expansion

Hanoi University (HANU) was established in 1959. In 1967, its name was changed to the Hanoi University of Foreign Studies to reflect its focus on offering undergraduate training programmes in 19 foreign languages. In 2006, its name was changed back to Hanoi University.

The University has a quota from the Ministry of Education and Training (MOET) that allows it to admit approximately 1,500 full-time undergraduate students each year. It has a total enrolment of about 6,000 full-time regular students. The ratio of staff to students is approximately 1:20. Since 2000, the University has broadened its curriculum by offering new language programmes in Italian, Portuguese, and Spanish, and it has also diversified into fields such as business administration, finance, international studies, and computer science. Programme restructuring has been accompanied by structural changes. Since 2000, four new faculties have been established – in management and tourism, information technology, international studies, and foundation studies. HANU's vision is to develop into an international multi-disciplinary university based on building blocks across four areas: social sciences, business and economics, natural sciences, and technology.

The University has capitalised on its traditional strength in foreign languages by introducing business and computer programmes delivered in English. Delivering new programmes in English has made it a pioneer in the expanding market for English-language programmes at the undergraduate level. The Rector's message on the University website states coherently the institutional vision of multi-disciplinary expansion based on a solid foundation of language studies:

> The university's development strategy is to maintain its leading position in the research and teaching of foreign language studies and international studies at all levels, to gradually develop into a multi-disciplinary institution on the platform of foreign language studies, to provide professional human resources of highest quality to service the modernisation and industrialisation of the country and strive to become an international institution in the region to better contribute to the country's *doi moi* and international integration.[5]

Parallel with the building of the new faculties and programmes, the University was successful in developing a joint initiative with La Trobe University in Australia for the delivery of a suite of business administration programmes at the diploma, bachelor's and master's levels. La Trobe University was initially responsible for the delivery of these programmes, before gradually transferring this responsibility to HANU staff. The quality of programme delivery was audited in 2004 within the

[5] http://english.HANU.vn/Home/MessagefromthePresident/tabid/63/Default.aspx Retrieved: 1 November 2007.

framework of regular audits conducted by the Australian University Quality Agency (AUQA).[6] The relationship helped HANU to build its teaching staff capacity in the field, and the audit by AUQA impacted favourably on the University's reputation, enabling the smooth beginning of the new programmes that HANU would offer on its own.

As part of HANU's multi-disciplinary expansion strategy, the Rector made a calculated decision to send a number of recent graduates who were now members of the teaching staff overseas to study computer science, business management, and finance. After two years of expanding its human resources, including the recruitment of qualified Vietnamese academic staff who could lecture in English, the business programme recruited its first students in 2002. Information Technology students followed in 2005. To support the expansion of new academic programmes, new operating structures were created, including new Faculties of Management and Tourism, Information Technology, and International Studies. A Department of Foundation Studies was also established with the aim of enabling students to develop a good command of English so that they could fully benefit from the English instruction programmes.

Since 2001, a strong "survival need" has underpinned strategic change in HANU. In recognising that the institution had to diversify away from its traditional roots in language studies, senior managers were perceptive in identifying early a growing market demand for English-language programmes in particular curriculum areas:

> At the time we all felt the urgency of [a] survival need for the university. We all knew that if no change was made the university would not survive: foreign languages are the means only. In a blooming economy people should learn a profession and foreign languages are the tools. We therefore had no other choice but to develop into [a] multi-disciplinary institution, taking the best advantage of our strengths: the language background of the university (HANU/MM1).

HANU became the very first public university in Vietnam to arrange for students to study two undergraduate programmes at the same time. HANU also arranged for its students to voluntarily visit high schools in Hanoi to introduce the University and its undergraduate programmes. Between 2002 and 2005, three "Open Day" events were staged allowing HANU to select the best students from the best high schools nation-wide. These strategic moves have had positive outcomes, with HANU experiencing a steady increase in the number of applications registered in the National University Entrance Examinations.

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[6] AUQA is an independent body established by the state and federal governments in Australia to conduct audits and produce reports that assure students, the community, and external university partners that Australian universities produce high-quality outcomes in terms of research, teaching, and community service. See http://www.auqa.edu.au/

Hanoi University of Technology – Building a Research Culture

Hanoi University of Technology (HUT) was established in 1956 on the basis of its technical expertise. It now offers over 90 programmes at undergraduate and postgraduate levels across 33 disciplines in the science and technology, economics and business, and language areas. The University has a quota for the admission of approximately 3,700 full-time, regular undergraduate students. In addition, it admits 2,000 in-service students and 1,200 postgraduate students. It is a relatively large university by national standards, with a total enrolment of some 30,000 full-time students. HUT employs 1,192 academic staff of which 59 per cent hold doctoral degrees.[7] Since 2000, HUT has diversified into business administration, language studies (English programme), and a number of inter-disciplinary programmes. In 2006, as an officially recognised key university, HUT was selected by MOET to offer two programmes delivered in English in conjunction with international partners. In 2007, its strategy paper *Master Plan for the Development of Hanoi University of Technology 2006–2030* was endorsed by MOET, and indicated its ambition to become an international research university.

At HUT, senior managers have disseminated likely pathways to international research university status on the University's website.[8] An important strategic goal is to maintain HUT's key position as a leading university in technical studies and technology in Vietnam. The Rector's message on the 50th anniversary of the establishment of the University envisaged "a multi-disciplinary and multi-field research university of international quality and status, a centre of excellence for research in sciences and technology", which would join in the "community of regional and international universities" and be "a partner to organisations, local and international businesses to better contribute to the industrialisation and modernisation of the country".[9] A senior manager made the following comment in respect to HUT's strategic path of research development:

> If you, the university, want to sustain your leading position, you have to do the kind of pioneering research. No one other than HUT has to undertake [this research pioneering role]. More importantly, as one leading institution in Vietnam, you have to work with international researchers, you have to become their partners. At the same time, you have to be the place [for] Vietnam's businesses to resort to. [With research development], you make yourself distinguishable [from others], and you will be the leader. (HUT/SM3)

Research commercialisation is seen as a vital element in HUT's plan to achieve its goal of being a leading research university. Indeed, the senior management of the University considered that this was the only realistic means whereby HUT could generate more revenue and, more importantly, nurture a research environment at the institution. Commercial activity is seen as an important step in preparing to meet the government's policy of sector decentralisation. Revenue generation from research

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[7] This is an extremely high proportion by national standards.

[8] http://www.hut.edu.vn/content/view/15/. Retrieved 20 October 2006.

[9] http://www.hut.edu.vn/content/view/15/. Retrieved 20 October 2006.

commercialisation is also seen as a way of being able to pay higher wages to staff so that they have reduced teaching loads and can spend more time on research.

HUT's research development plan focuses on the establishment of a group of spin-off technology companies headed by a parent holding company. Learning from Chinese models of university economic groups, HUT is planning to develop a science park to support the incubation of technology and business ideas. The science park is expected to be the place where research can be commercialised and transferred to industry:

> The idea starts from R&D, but not only that. Our motto is [we have to] start from the market and return to the market. [. . .] We know there are markets for basic research and [markets for] applied research. Applied research must originate from social reality and industry demands. Research projects that can be realised into products entering the markets are successful. [To do this] we must have some one seeking and finding out the market, someone solving [the] issues. Not only that, we must have someone who can turn research results into products in the labs, in the workshops, and pilot production. The products will be standardised and accordingly production/design options are developed. Intellectual property registration follows all that. Then comes the parent company and its spin-off affiliates who will launch the products to the market. (HUT/SM2)

However, the building of a research culture in HUT has some way to go at both the senior and the middle levels of management. There is an acute awareness of the fact that lecturing staff have neither the time nor the motivation to do research, mainly because they are constantly being pushed to do teaching in order to generate funds and salary.[10] Making things worse is the absence of appropriate reward systems for research activities. Universities are confined by official regulations in this regard. Middle managers commented on the narrow range of indicators taken into account when considering academic promotions and professorial appointments. They observed also the emphasis given to the attainment of a doctoral qualification and scholarly publications, rather than collaborative industry research projects (HUT/MM1/MM3). One middle manager talked about the case of his institute:

> Actually, [in our institute] the colleagues work on their own projects with business partners. The success [of our institute] in terms of revenue last year could have been ten times bigger if staff had devotedly worked under the name of the institute. It is the role of the individuals, not the leadership. Usually, the university cannot administer this. We think the publications [for professorship] now in Vietnam are meaningless, contributing nothing to development. (HUT/MM3)

[10] Lecturers in Vietnam tend to work long teaching hours, sometimes at more than one institution, in order to boost their monthly wage. The minimum monthly wage for academic staff is scheduled to increase to VND 540,000 in 2008.

University Managers' Perceptions

Public universities in Vietnam are embracing the market in an attempt to develop out of their historical situation of being small, narrowly specialised institutions. This section addresses the perceptions of university managers concerning the impact of market-induced changes to the environment of their institutions; it also highlights appropriate change-management strategies in response to these changing conditions.

Market-Change Perceptions

University managers regularly referred to the market for higher education services, reflecting a change even in their own perceptions of themselves and of their situation. Two to five years ago, most higher education actors in Vietnam would have avoided terminology such as "market demand", "market niche", "enterprise", and the like. In 2005, for example, when the first author conducted her preliminary fieldwork, one middle manager went to extremes to explain that "it is not market demand, it is social needs that we [universities] are responding to". Another higher education official kept a more neutral tone: "the market in the higher education sector is [an] issue heatedly debated and it is not concluded [yet] whether the market exists in the sector". By mid-2007, when interviews for the present investigation were conducted, market-laden terminology had become commonplace in university managers' communications:

> We, at the time, had to find a market niche, so that we can place our feet in it. (HANU/MM1)

> In principle, a comparison may not [be] in the right place, but the university is like an enterprise. It owns intellectual brains, research results, and of course management must predict the market. What the society needs, they will have to adjust accordingly. The State does not need to involve [itself] in [this]. (HUT/SM3)

Talking about the market in higher education, university managers were well aware of the constraints they were facing. Tuition fee limits set by the government were seen to be a major problem, especially as government funding allocations to higher education were falling relative to the rise in student numbers.[11] Public universities were considered to be extremely constrained by restricted quotas and low tuition fee levels, both of which are regulated by MOET:

> It is very unequal when the private universities can charge much higher tuition fees than [the governmentally-set range of fees] for public ones. . . The government does not need to concern [itself] about tuition fees. The university can set the fee for itself, and if it sets [the

[11] Despite the government's commitment to prioritise budget spending on education, higher education has received a falling share of education allocations, from 12.43 per cent in 1998 to 9.71 per cent in 2002 (Socialist Republic of Vietnam and World Bank, 2005). These reductions may reflect the priority accorded to basic education and education in the remote, ethnic, and disadvantaged regions in Vietnam. Over the same period of time, the total number of students in higher education rose from 682,300 to 1,020,700, an increase of 67 per cent over the 4 years (St.George, 2007).

> fee] too high, simply students won't come to it. Then university management can make the decision to reduce the fee. (HUT/SM2)

> Everybody knows the major functions of the universities: research and teaching. But we cannot do research and teach if we don't have money. Therefore, generating revenue is the most important. The university must be rich. It must have its wealth to invest in research and teaching. (HUT/SM3)

Market competition was seen by university managers as a pressing need that would enable them to identify and develop discretionary sources of revenue creation:

> Of course now all universities are competing. It is the competition for best students, not for the number of students, as this is already fixed by the government. It is not the competition for government funding as fund allocation is based on a number of criteria. [We see that] it is the competition to improve our profile in order to tap non-government funding such as those from teaching services to the society. [At HANU] we see the competition for training contracts with the government and industry. As our main stream is language teaching, we also have to compete with international service providers (HANU/SM1).

There was some uncertainty about the wisdom of the government's support for providing more opportunities for private higher education.[12] The opening of more new and relatively small private universities, together with the upgrading of some former public colleges of education into public universities, was seen by some senior managers as being somewhat unplanned. One compared the leading of a university in Vietnam with the driving of a car in Vietnam's traffic conditions where rules are not fully obeyed and where the capacity of the traffic system is weak. The managers interviewed were not, however, overtly pessimistic about the changing environment. One manager commented, for example, that:

> We know it is the system and for any system, it is difficult to change. We as actors must raise our voices so that the government must make change. If no change is made, then a leeway must be created so that we the universities can grow. The leeway will become the main road after many people use it. (HUT/SM3)

When asked about their changing roles and tasks, managers strongly emphasised the need for new ways of thinking about and managing their own problems. They felt that they had to find innovative ways to manage their institutions' development in the context of an economy that is making a transition to a market system, and in which the importance of the government's higher education budget is steadily being reduced:

> The problem that universities in Vietnam are now being challenged with is to get over themselves. University managers must change their perceptions. They must change the way they think. [. . .] HUT itself in the past 50 years is a leading university in technology. However, in today's context of rigorous competition, the establishment of numerous private universities, the penetration of international higher education institutions, we must find a way. If

[12] The number of private higher education institutions rose from 22 in 1999–2000 to 47 in 2006–2007. Over the same period, the number of students in private higher education rose from a total of 107,538 to 163,471, a 52 per cent increase over a 7-year period representing a significant increase in private funding.

> we just think in a common way that our role is to provide education to develop the human resources, as before, we cannot sustain HUT's leading position. (HUT/SM3)

> We have to find a way that is distinctive [for our] university. We make it our own way of development. We cannot just simply wait for orders and instructions from MOET as before. (HANU/SM2)

Change Management Strategy

University managers in the two institutions emphasised the importance of making planned, incremental adjustments (not radical changes) to their institutions' structures and management processes in response to government and labour market directives and needs (Tichy, 1983; Waddell et al. 2007). Paralleling Vietnam's moderately high power distance culture, where societal members show a great deal of respect for those in authority, and where unequal power distributions in organisations are readily accepted (Hofstede, 1980, 1991), these change initiatives were usually driven by senior university managers and presented to stakeholders, including deans, MOET officials, and university alumni through seminars and meetings. This direct approach to change management involved the use of managerial authority and direction to frame major decisions about the institution's future and the strategies required to bring about organisational change. Because strategic decisions were tightly framed and controlled by senior management, managers and staff at lower levels tended to accept them and to view the proposed changes in a consistent way; a tightly framed strategy also contributed to overall institutional commitment to strategic plans over a 10- and 20-year period.

The adoption of the 2050 Master Plan for HUT's development is a case in point. A section of the plan outlined the establishment of a new school, the Institute for Technology Advancement. All of the senior managers expected that this school, when provided with sufficient resources by the university and the government, would gain international status. Indeed, the performance of this school was expected to spill over to other units in the university, and, accordingly, transform HUT into the international leagues of world universities. One senior manager, speaking metaphorically, offered the image of a thrown stone creating numerous circles on the surface of a lake to imaginatively describe the way change can impact on the university. Comments by another senior manager about a university centre whose performance and standards have been accepted by French institutions also reflected the idea of change effectiveness as a process of "spillover" and "impact":

> The importance of a change initiative is not with its location of change, but its effectiveness and [the] effectiveness that can impact on others. If there exists one centre of excellence like [this one] for each major field in [HUT], [I believe] we can progress very fast (HUT/SM1).

In both of the universities investigated, structural change was seen as being a means of changing the attitudes and behaviour of staff. Senior managers expected

that innovative actions undertaken by new faculties, departments, schools, or centres would be learnt by other organisational units, and accordingly their behaviour would be changed:

> The changes can more obviously be seen in new faculties where faculty management play a more active role in finding new approaches, new thinking, and new solutions. It is then expected to be learnt and followed by the more established units. (HANU/MM1)

Conclusion

The modernisation of the university in Vietnam is an ongoing process that is being shaped by various forces. Resource constraints and tight government controls have pressured universities in Vietnam to expand into multi-disciplinary institutions that will better meet the surge in student demand for higher education programmes taught in English. Multi-disciplinary expansion has been accompanied by new academic programmes, structures, and partnership agreements with overseas universities. Not only has this expansion built up qualified staff capacity for teaching programmes in English, but it has allowed universities to boost their claims of international quality and status. Such claims are important distinguishing markers given the inexorable shift towards global rankings for defining the terms of competition amongst research universities (Gunn and Hill, 2008; Hazelkorn, 2008). In terms of the domestic market, such rankings are likely to play an important differentiation role. Research-led institutions with strong reputational status will be able to attract students that score highly on University Entrance Examinations. Under a more self-regulating fee model, universities that attract the best students will be able to charge higher tuition fees for specialised niche programmes. This should, in turn, generate more revenue for these institutions and give them greater flexibility in deciding the appropriate mix of teaching and research activity.

Academic research is still an area that needs stronger initiatives for improvement in Vietnamese universities (Nguyen, 2004; MOET, 2005). Although most university managers are well aware that research and teaching make a good university, they are severely restricted in their choices of research development given their limited resources. Research commercialisation through university–industry R&D partnerships is seen by public universities in Vietnam as an important strategy of boosting their discretionary funding and signalling to government they are ready for more operational autonomy. Although such partnerships are in alignment with the government's intentions of increasing private funding to higher education, a policy shift that has taken hold in most OECD countries over the past two decades, it does carry particular risks to universities (Fulop and Couchman, 2006). For universities striving to carve out international positions of excellence for research in science and technology, the risks of financial loss and the associated damage to the institution's reputation are of major concern. Universities also face significant

risks in assuming management, and research staff members have the required levels of innovation and entrepreneurship needed to commercialise research findings (Slaughter and Leslie, 1997). If these skills are not in place, and if the trust dynamics that underpin successful research and innovation are damaged, it is likely that the industry collaboration will not succeed. To minimise these substantial risks, universities need to develop comprehensive policies to manage the risks of commercialisation and R&D collaboration with industry partners (Fulop and Couchman, 2006).

Accepting the Vietnamese government's support for the provision of private funding for higher education, it is perhaps reasonable to speculate that universities will be granted more control over the setting of tuition fees. Although the introduction of fee-paying students was closely watched and hotly debated in Vietnam, voices condemning the principle of paying fees for higher education have been largely muted. As in Australia and other OECD countries, the legitimisation of a "user-pays" fees regime has been accompanied by reductions in higher education government expenditure and large increases in student numbers. This translates into less higher education funds from government in constant dollars per student terms. To supplement their shrinking revenue base, it seems likely public universities and staff in Vietnam will follow universities in other countries and engage in "academic capitalism" to gain non-government funds (Slaughter and Leslie, 1997: 8). The commercial side of university operations offers greater potential for institutional discretion and funding independence and hence is likely to become more central to university operations in Vietnam.

As user-pays market principles become more established in Vietnam, universities are likely to spend more time and money publicising their teaching and research activities to students and distinct business groups in the community. In this regulated market, university managers will increasingly voice their preferences for more institutional autonomy and the independence to raise student fees based on student preferences. As in other regulated market environments, voicing opinions as to the primacy of the market is likely to be met with scepticism and caution by public officials. During the 1990s when numerous private universities were allowed to open with minimal ministerial oversight, there was a loud public outcry about the deteriorating quality of education and the way in which students were being swindled by educational institutions (St. George, 2007). For a government committed to ensuring both the quality of education is maintained and that it meets national development needs, this response highlighted the political risks involved of allowing universities greater autonomy over their financial operations.

Processes of modernisation represent a major challenge to public universities. A recurrent managerial challenge will be how to embrace market-driven strategies in a regulated environment characterised by student quotas and tuition fee ceilings. This contradiction will perhaps lessen as the government reframes the division of responsibility between state and university and delineates the limits of university autonomy. Of more pressing concern to university managers is the extent to which they can learn to find innovative ways to manage their institutions' distinctive path of development.

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Chapter 12
Optimising the Impact of Vietnam's Higher Education Sector on Socio-Economic Development

Kiri Evans and Adam Rorris

Introduction

All societies expect their education systems to serve the social and economic development of their nation. Vietnam is no exception. As it strives to escape the ravages associated with de-colonisation and the struggle for national independence, Vietnam is seeking to ensure that the development of its higher education contributes maximally to the social and economic progress for the nation, as well as, of course, to meeting the needs of individuals. The gap between lofty goals and the reality of the situation can, however, be wide in countries that lack resources and the institutional systems necessary to harness education investments. This chapter addresses four key social and economic challenges confronting aspirations for the growth of the higher education system in Vietnam.

It is important at the outset to note that Vietnam has been making rapid progress in terms of the development of its higher education system. One of the most visible signs of progress over recent years has been the increasing number of eligible candidates seeking admission to university. This increase represents a big change from the not-so-distant past. From the time of independence up until the early 1990s, higher education was reserved for a small group in Vietnamese society. Since then, participation has increased dramatically. By 2006–2007, there were over 1.54 million students enrolled in 139 universities and 183 colleges. The government has plans for even more dramatic growth over coming years. It has proposed a gross enrolment rate by 2020 of 45 per cent – a significant increase from the current rate of about 13 per cent. This positive story is, however, bounded by some important limitations.

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Uneven Economic and Social Development

Vietnam is a long, thin country that stretches along the South China Sea coast. It is rich in agricultural potential and has a large population (85 million) that is mostly literate. Socio-economic development was delayed by the long period of war and post-war reconstruction that followed national reunification. The country has rebounded with very high levels of economic growth from the late 1990s following the introduction of *doi moi* (economic liberalisation) policies. The cities and main urban and industrial areas now exhibit strong growth in trade and services. Declining fertility indicates the success of a consistent family planning programme (Van Arkadie and Mallon, 2003). Behind this economic success story, however, are some inequitable and problematic growth patterns.

Education is a critical resource for the poor in their attempt to move out of poverty, and so it is important that education should remain accessible to all groups to prevent the consolidation of inequality from generation to generation. A low education level limits access to employment and higher household income, which in turn is the key to greater access to education.[1] The increasing private cost of education fees as a consequence of the government's policy of "socialising" education (that is, imposing tuition fees and other charges on users)[2] is a trend pushing in the other direction. Access by the poor to all levels above primary education is less than that for the rich, and this is most noticeable in higher education (GSO, 2002). Improving the accessibility of higher education to the poor is an important policy goal for higher education reform.

The poor are a statistically significant minority in Vietnam, with more than 30 per cent of the population considered to be below the poverty line (GSO, 2004). This is a high level of poverty, but the trend over time is a positive one. In 1993, 58 per cent of the population was below the poverty line (GSO, 1994). Strong economic growth rates since then, together with effective public policies, have enabled large numbers of households to lift themselves from poverty. Poverty alleviation through public polices and economic growth has clearly had a positive impact. It is equally clear, though, that the lowest income groups still have not made much progress in raising their living standards.

There are some important dichotomies in the social and economic profile of the country. The rural/urban split captures the increasing concentration of wealth in the urban centres. The provinces around Hanoi in the North, Ho Chi Minh City in the South and Da Nang in the centre are the growth poles, with diversified economies and substantial investment in manufacturing and services. Most other provinces still require significant revenue support from the national government. The poorest

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[1] The 2004 Vietnam Household Living Standards Survey (VHLSS 2004) demonstrated the correlation between poverty and education, with the poverty rate declining as the education level rises.

[2] The state, in fact, expects that everybody should contribute to the cost of education (that is, education should not be wholly reliant on tuition fees and other charges). Contributions should be made by the Vietnamese community at large, by Vietnamese overseas and by foreign counterparts.

geographical areas are the Northern Uplands, the Central Highlands and the North Central Coast.

Another dichotomy is between lowland and upland areas. This reflects historical, political and logistical factors that inhibit the growth of the upland regions relative to the lowland areas. The geographically isolated and economically disadvantaged areas include difficult-to-service regions in upland or mountainous areas along the Laotian and Chinese borders, where there are high concentrations of the poor. And yet, the population density of the lowland areas means that over one-third of the poor live in the rice bowls of the Mekong Delta and the Red River Delta. The Mekong Delta, despite being one of the country's major rice production areas, has not developed as quickly as other regions.[3] Land allocation policies and management issues have also contributed to this situation. The central coastal areas are heavily populated and development is constrained by adverse agricultural and climatic conditions, such as the annual pounding inflicted by typhoons.

The lowland/upland divide carries with it one of the more pervasive dichotomies within Vietnamese society, that is, the disparity in social and economic development between the majority Kinh people and ethnic minorities. The majority ethnic group in Vietnam is the Kinh, or ethnic Vietnamese. In addition, Vietnam has over 50 different ethnic groups, comprising more than 14 per cent of the population. Most of these groups are quite small, but, with over 10 million people, the ethnic minority population of the country as a whole is larger than the entire population of many other countries.

There is no legal discrimination against ethnic minorities. Entrenched cultural attitudes and access to fewer resources and services have meant, however, that ethnic minorities are not benefiting from economic growth to the same extent as the Kinh (Evans, 2005). Access to services is hampered by the fact that many ethnic minority groups are concentrated in the most geographically isolated and economically disadvantaged areas, such as the Northern Uplands and the Central Highlands. Ethnic minorities account for 39 per cent of the country's poor, an increase from 29 per cent in 2002. The Kinh had a poverty rate of 13.5 per cent in 2004. Their poverty rate had dipped from 32 per cent in 1998. For ethnic minority population, however, the poverty rate in 1998 was 75 per cent (GSO, 1999).

The Government of Vietnam has an interest in the social welfare and economic development of the ethnic minority groups that stretches well beyond equity objectives. The location of ethnic minorities on sensitive borders with China and other states makes it important for these groups to be integrated with and to share in the benefits of the economic development of the state. The higher education sector has a recognised role to play in the social and economic development of these groups.

Changes in the structure of the economy pose other challenges for the higher education sector. In the early 1990s the economy was dominated by agriculture, fishing and forestry. Since then, manufacturing and services have grown rapidly, to a point where they now dominate the economy, with agriculture accounting for only

[3] Insufficient public investment in infrastructure is a probable contributing factor.

20 per cent of GDP in 2005 (GSO, 2005). State enterprises, which were once dominant in the economy, have now been significantly replaced by private enterprises in the form of both large firms and small household-based businesses. The household unit has become more important in terms of social service planning as family aspirations grow and as household income increases across the country. Urban households are significantly better off than rural households, but there are many low-income urban households with large numbers working in the informal sector.

These changes in the structure of the economy and in the pattern of public-private ownership pattern underpin some growing regional disparities. They are also generating important new pressures on the higher education system. Students are now less likely to seek a higher education simply as a pathway to employment by a state enterprise or in the public sector. The private-sector labour market is now larger than the public-sector labour market, and it is expanding much more rapidly. Its ability to pay formal wages that are considerably higher than those available in the public sector adds a further twist to the nature of the demand for higher education courses.

Strengths and Weaknesses of the School System

While Vietnam is still ranked as a poor country it has human development indicators that are significantly higher than that for most countries of similar economic development status. Due in part to an ethos of egalitarian social relations, class distinctions are less evident than in many other countries in the region, and are therefore less of an impediment to the distribution of the benefits of economic growth.

The relatively higher level of social mobility in Vietnam is, at least in part, due to past investment in the social sectors by the state. Consistent with socialist ideology, Vietnam invested strongly in education, achieving universal primary education access during the 1990s. As a result, even most of the very poor have had access to basic education. Over the last decade, the education sector has grown rapidly. Following the success of national policies such as universalisation of primary education, the numbers completing lower and upper secondary education have rapidly increased – in 2004 the completion rates were 75.4 per cent and 56.6 per cent, respectively.[4]

Underpinning the rights that women have achieved in Vietnam has been their educational status. The state has invested in the education of women from the time of independence, and it has achieved educational outcomes in this regard that might more likely be expected of a country with a much higher socio-economic standing. The literacy rate for women early this decade was 89.3 per cent, while for men it was 95.1 per cent (GSO, 2002, 2003). The participation rates of women in all areas of education have been increasing. The government has committed to the elimination of gender disparities in all levels of education by 2015.[5]

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[4] UNDP Human Development Indicators, http://www.undp.org.vn/undp/fact/indicators.pdf

[5] This commitment is contained in Vietnam's Millennium Development Goals.

In basic education, despite significant improvements of the school curriculum, many problems remain. The 1999 Census reports that 12 per cent of girls aged 5 and over never attended school, while the rate for boys was 7.5 per cent (MOET and ADB, 2006). Girls also continue to be more likely never to have attended school, to discontinue their schooling and to repeat year levels. The likelihood of these occurrences is greater among lower income groups.

Women's participation also decreases the higher the level of education. The number of women with a higher education (university and college) qualification is low, at around 2 per cent of the population. In higher education, there is a significant imbalance in the participation of women. Enrolment figures for undergraduate students in 2002 show that women accounted for 44 per cent of total enrolments. Due to strong gender stereotypes in the fields of studies chosen and the traditional gender division of labour, female students are concentrated mainly in social disciplines, such as education and social sciences, accounting for about 70 per cent of all students in these fields. Men dominate in technical disciplines, such as engineering, accounting for over 70 per cent of all students in these fields (Rorris, 2005a, b).

More important than gender, however, is ethnicity. School enrolment rates for ethnic minorities (non-Kinh and non-Hoa) are lower than the national average and frequently show significant gender disparities. Mean years of schooling for ethnic minorities are significantly lower than that for the population at large, with ethnic minority girls completing fewer years of schooling than any other group. From the lower secondary level upwards, an important gap between the Kinh and the ethnic minority enrolment rates remains. For the 2004–2005 school year, for example, the lower secondary net enrolment rate of the Kinh majority was almost 80 per cent, while, for the ethnic minorities, it was only 48 per cent.

These access problems at the school level have equity repercussions for participation patterns in higher education. There is a limited pool of qualified students from ethnic minorities, remote areas and the very poor. As a result, ethnic minorities are also not proportionately represented among academic staff, comprising only 1.5 per cent of all academic staff.[6] At universities, they comprise only 0.8 per cent of staff, while at colleges they comprise 3.2 per cent of staff – but ethnic minorities comprise at least 14 per cent of the population as a whole.

The upstream impact of these access problems may be seen in the difficulty many provinces have in recruiting qualified teachers. For years, provinces in remote regions or with largely remote districts have resorted to employing unqualified teachers – teachers with 9 years (or less) of schooling themselves. Unable to attract sufficient qualified teachers, these provinces have tried to enrol local students in their provincial teacher training institutions. They have focused on a "home-grown" approach to addressing the shortage of qualified teachers. In spite of relatively high incomes offered, however, shortages of teachers for remote areas continue. The main source of the problem is that too few young people from remote districts complete a high-school education (Giacchino-Baker, 2007). Teacher training institutions have,

[6] MOET Edustats database 2005, http://www.edu.net.vn/Data/ThongKe/dhcd.htm

therefore, had to implement bridging programmes for targeted students with less than 12 years of schooling. The plight of these remote communities is circular – because there are too few students completing high school, there are too few students entering teacher education, resulting in too few students completing high school.

A very significant additional problem affecting the school system in rural and remote districts is its poor quality. Many students attending these schools, especially students from ethnic minorities, achieve educational outcomes that fall well below national norms (MOET and ADB, 2006). Reasons for this situation include the lack of infrastructure, inaccessibility, language and cultural barriers, lack or limited quality of teachers, curricula that are not suitable to localities and the perception that returns from education are low (UNDP, 2004). In many communities there is also a lack of supportive interactions between parents, teachers and schools. Until recently, the curriculum delivered in schools where ethnic minority and other disadvantaged groups predominated was of a shorter duration and instruction was in Vietnamese, a foreign language to many ethnic minority children. The lack of well-educated young people among ethnic minority groups has direct implications not only for entry to higher education but also for poverty alleviation (jobs and income generation), family planning, health care, human resources for local governance and other community development issues.

The access and quality problems of the school system affect the calibre and capacity of students entering the higher education system. The challenge for higher education institutions is to find ways of improving the quality of teaching and learning when so many students coming into higher education arrive with substantial learning deficits as a result of the weaknesses in the school system.

Limitations of a Centralised Control Model

Higher education faces a number of internal challenges impacting on its capacity and options for growth. These have significant implications for its prospects for meeting the diverse social and economic needs of the country.

From independence, the higher education system was developed according to a Soviet model, characterised by significant centralised control. Under this arrangement, the state managed the establishment of higher education institutions and oversaw their management. The larger and better-endowed institutions were located in or near Hanoi, or, to a lesser extent, in or near Ho Chi Minh City. Larger cities such as Da Nang and Hue were also given strong higher education institutions. The less economically advantaged regions, however, particularly in the Northern Uplands, the North and the South Central Coast (except for Da Nang and Hue) were left to rely on provincially controlled institutions, usually focused on teacher training. The Mekong region (except for Can Tho) was similarly left to rely on institutions controlled by provincial governments.

This pattern of development has its genesis in the history of the country. While the establishment of universities was always seen as being important, very few resources were available except for a few centrally based institutions (Tran, 2006).

In the provinces, where warfare had decimated population numbers, the priority was educating sufficient teachers to staff the schools.[7] In the Northern Uplands, because of issues relating to isolation, language and ethnicity, this form of provision was also adopted. It has taken many years of investment in teacher education to increase the average length of teacher training. The focus on teacher education, however, reduced the availability of resources available for other areas of higher education, such as in agriculture, aquaculture and medicine.

There is also, however, a level of decentralisation in the education system that mirrors the decentralisation of the Vietnamese economy as a whole. Due to the legacy of war and a poor communications infrastructure, many sectors of the economy were forced to become autonomous in some areas of decision making. As a consequence, some provinces developed and innovated ahead of receiving national policy directives, while others were more cautious. Regional diversity and local initiative have been noted as a hallmark of the Vietnamese economic system (Van Arkadie and Mallon, 2003), and so it is not unexpected to encounter the same trend in the education sector as well.

Moreover, lines of administrative control can be opaque in Vietnam, even in a seemingly centralised system. The balance of central and provincial lines of power may be more decentralised than indicated for the formal lines of sector governance. Provincial education officials are responsible to the central education ministry, receiving training and communication and instructions. They will also be responsible in many aspects to the provincial and local authorities with whom they are in everyday contact and to whom they will be required to report.[8] Provincial officials are also likely to be from the provinces in question, with familial and cultural ties to that province.

Central control of the higher education system has been effective in enabling prioritisation and the creation of higher education institutions when the country could ill afford them. A cohort of academics and researchers was fostered, and it is from this base that the higher education system could develop. On the downside were (i) the very limited extent of institutional autonomy granted to higher education, (ii) the lack of much initiative in the system, and (iii) the creation of poorly equipped campuses where teaching practices are much too traditional and research is barely in existence (Ca, 2006, Dai, 2006).

The *doi moi* reforms helped move the system more in the direction of institutional autonomy, but not significantly. There have also been attempts to decentralise some aspects of control through rationalisations of management across and within higher education institutions. The state remains, however, strongly in control of the system.

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[7] In some areas, such as in the Mekong Delta, for some time after the American War, teachers were placed in schools after only 7 years schooling.

[8] Van Arkadie and Mallon (2003) note the balance of political and administrative power in the national–provincial relationship is one manifestation of the foundation of consensus-building on which the economic and political system is based.

Funding Pressures in Higher Education

Growth in the higher education system has created a number of pressure points. Three of these are the need to provide new facilities, the need to train a large number of new teachers for the lower and upper secondary sectors and the need to increase the number and quality of university lecturers and staff. All require significant additional investments – that cannot all be met from the central budget.[9]

The school system generates a competing resource demand for higher education. The school system remains a priority area for public investment in Vietnam. Solid progress has been made towards the goal of the universalising lower secondary education, but this progress has flow-on effects on participation in the upper-secondary level, and it necessitates investment in the construction of new upper-secondary schools, the training of teachers and the provision of materials for schools. While local communities are asked to shoulder a greater share of the burden in meeting these costs, there are limits to what can (or should) be levied upon households. As a consequence, the higher education system then finds itself competing for its share of education funds. Primary and secondary schools, given their broad access policies that reach out to all communes, are better placed than universities in laying claim to public funds.

There has been a recent shift of sub-sector shares in state spending on education and training, with spending on education (pre-school, primary, lower and upper secondary) increasing, and spending on training (technical and vocational education and higher education) declining. These trends reflect the current priority accorded to basic education, as well as to education in remote and disadvantaged regions of the country. In 1998, expenditure on education accounted for 73 per cent of total education and training expenditure (The World Bank, 2005). By 2002, facilitated by a policy of "socialization" (the introduction of user-pays funding mechanisms) in the training sub-sector, education's share rose to 78 per cent. Within the education sub-sector, spending on primary education declined (owing to a rapid demographic shifts, with the number primary school-age children falling), and spending on lower and upper secondary education increased (enrolment numbers at these levels have increased markedly over the recent period). In the near term, secondary education will require additional resources if access is to become universal. The higher education share of education and training expenditure fell from 12.4 per cent in 1998 to 9.7 per cent in 2002 as state subsidies were reduced. Government policy over recent years has favoured more reliance on tuition fees by this sub-sector.

A Decree on Financial Autonomy (Decree 10), in 2003, encouraged public educational institutions to manage autonomously their revenues, expenditures and staffing, while also seeking alternative revenue sources.[10] With increasing financial

[9] Funding for higher education institutions may come through MOET, line ministries or provincial government.

[10] Decree no. 10/2002/ND-CP regulates financing of revenue generating service delivery agencies. Inter-ministerial Circular no. 21/2003/TTLT-BTC&BGD-BNV provides guidelines for financial

autonomy for institutions, the private costs of higher education are likely to increase. Within the higher education sector, strict caps were placed on tuition fees, but institutions were left free to increase charges for other university services, making higher education less accessible to the poor.

As higher education institutions have proceeded to raise more of their revenue from tuition fees, the gap in funding between some of the larger, more prestigious national institutions and many of the smaller provincial institutions has become more obvious. By 2004, tuition fees accounted for about 20 per cent of total expenditure for vocational schools, colleges and universities.[11] Many more private higher education institutions have also been allowed to open (Pham and Fry, 2004). These institutions fall into two categories: private universities and people-founded universities. These institutions accounted for approximately 9 per cent of all higher education institutions and 13 per cent of all enrolments in 2004. The government has plans for 40 per cent of enrolments to be in private institutions by 2020.[12]

With increasing financial autonomy at the institutional level comes an upward pressure on the private costs of higher education. While a cap continues to be placed on tuition-fee levels, institutions themselves feel compelled to increase their charges for other university services. This moves higher education further beyond the reach of the poor, unless there is a system of exemptions or subsidies.

Many sources show that traditional elites are more able to capture the benefits of an investment in higher education investment, as they generally have more access to a wider range of resources than do less economically advantaged groups in the population. Putting in place strategies that increase opportunities for those who have traditionally had less access to higher education will increase the flow of benefits, both social and economic, to a wider spread of the Vietnamese population.

Rampant corruption within the higher education system has been well documented (Overland, 2004, 2006; McCornac 2007). Continuing low levels of academic and public service salaries in the context of insufficient attention to quality assurance have enabled corrupt practices to flourish. Bribing teachers for exam answers or marks, buying the answers to exams or paying others to sit exams are all considered by many students to be part of the cost of an education. The lack of strict policies allows these practices to continue. New policies adopted on the use of identification cards and signatures in exams are initial steps, but the development of an anti-corrupt system will take considerable time and institutional development (Vietnam News, 2004, 2008). For as long as educational qualifications are viewed by many students and members of academic staff as a commodity able to be obtained through bribes and fraud, people from rural areas and ethnic minorities, who have fewer resources to draw upon, will be further disadvantaged.

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management of revenue earning public service delivery units in the public education and training sector.

[11] UNDP 2005, p. 30.

[12] Resolution no. 14/2005/NQ-CP, dated 2 November 2005.

Some cities and provinces (for example, Ho Chi Minh City) are more capable than others of funding higher education because of their ability to raise more revenue (Tran, 2006). Some smaller and less economically advantaged provinces (for example, An Giang) make a big commitment to support higher education institutions in the expectation of a flow on direct economic benefits, but, for these provinces, the commitment entails a financial struggle.

Those higher education institutions in provinces or cities with a substantial degree of autonomy, and with a reasonable capacity to raise revenue from provincial sources, are in the best position to draw upon provincial financial support – as is evident in HCMC and Da Nang. This support enables the institutions concerned to develop their own areas of strength, not necessarily outside MOET directives, but in response to local demand.

There is large variation in the financial and administrative capacities of provinces. As might be expected, these financial and administrative capacities tend to reflect the economic development of each province. Decentralisation of MOET's planning and financing function to provinces, without an accompanying national framework to guide and promote investment, may result in provinces misdirecting investment and developing institutions that do not contribute to long-term economic and social development. Inefficiencies and duplication may result. The development of regional higher education consortia or alliances (which divide specialisations over a wider geographic area) may address this problem.

Prospects

Positive Economic Environment and Government Financial Commitment

In recent years, Vietnam has achieved a high and stable rate of growth in its GDP. Since 2000, the average annual rate of growth has been over 7 per cent, which provides a positive economic context for the future financing of higher education. Expenditure on education as a proportion of GDP is steadily increasing. As shown in Table 1, expenditure on education as a proportion of GDP was 3.5 per cent in 1994. By 2006, it had increased to 5.6 per cent. Education's share of total public expenditure is also increasing. In 1994, it was 14 per cent. By 2006, the proportion had increased to 17.1 per cent.

Compared with other countries in the region, Vietnam's commitment to expenditure on education, in terms of expenditure both as a proportion of GDP and as a proportion of total public spending, is generally stronger than is the case in Indonesia, India or Pakistan. But it remains weaker than that for Thailand or Malaysia. Details are presented in Table 2. These figures, of course, take no account of the volume of expenditure on education, but they do give some indication of Vietnam's relative standing when considered in terms of the extent to which, within the limit of its resources, it is investing in education.

Table 1 Education expenditure in relation to GDP and total government budget, 1994–2004

	1994*	1998*	2000*	2002*	2004**	2006
Expenditure as share of GDP (%)	3.5	3.5	3.5	4.2	4.1	5.6***
Expenditure as a share of public expenditure (%)	14.0	17.4	15.1	16.9	15.6	17.1****

*Actual figures. GOV and The World Bank, *Public Expenditure Review and Integrated Fiduciary Assessment* (PERIFA), 2005.
**MOET (Department of Planning and Finance) and MOF (Department of State Budget) provided data showing education expenditure and total state budget allocations.
***Address by Dr Nguyen Thien Nhan, Deputy Prime Minister and Minister of Education and Training, Socialist Republic of Vietnam to Strategic Choices for Vietnam's Higher Education Seminar in Kuala Lumpur, Kuala Lumpur, Malaysia, 3 December 2007.
****Authors' estimate based on Ministry of Finance actual total expenditure (www.mof.gov.vn).

Table 2 Education spending in selected countries, latest available year

	As percent of GDP	As percent of Total Public Expenditure
Japan	3.6	10.5
Singapore	3.6	17.4
India	4.1	12.7
Indonesia	1.3	9.8
Malaysia	7.9	20.0
Pakistan	1.8	7.8
Thailand	5.0	31.0
Vietnam (2006)	4.1	17.1

Source: Other countries: UNDP Human Development Report (2004).
Vietnam: Authors' estimates based on Ministry of Finance data.

It is planned that education spending as a share of total public spending should reach 20 per cent by 2010. The gap between the share of public expenditure for education in 2006 (17.1 per cent) and the 2010 target (20 per cent) provides some fiscal space for increased expenditure in higher education, although, as indicated earlier, the financial demands associated with the expansion of secondary education will take precedence.

The World Bank has noted that funding for the sector is insufficient with a heavy reliance on public funds (The World Bank, 2008). Overseas Vietnamese who are highly educated represent a source of private investment for higher education, as well as a means of enhancing capacity in science and technology (Pham and Fry, 2004). This group also brings knowledge of institutional practices and systems that can combat fraudulent and corrupt practices in the sector (McCornac, 2007). An increased role for private investment in the sector increases the overall funding pool available. The development of private institutions backed by overseas Vietnamese

may also generate increased competition, providing an impetus to enhance quality through the development and maintenance of high academic standards, consistent with international norms.

Promoting and Funding Diversity in Higher Education Institutions Across the Country

Fostering diversity within the Vietnamese higher education system will ensure optimisation of the impact of the sector on Vietnam's socio-economic development. Seeking an equivalent level of course delivery, research focus or size within all institutions will not meet the diverse regional or socio-economic requirements of the population or of economic growth patterns. Because of the spatial pattern of Vietnam's economic development, optimising the impact of the higher education contribution will require careful planning.

In addition, Vietnamese higher education institutions are facing increased pressures to respond to the requirements of global economic integration, while also supporting the development of new ideas and market activity to alleviate poverty and promote economic growth in Vietnam. Universities are facing dramatically increased demand for training in both established and new courses, as the level of education in Vietnam rises and as the labour market demand for new fields emerges. The requirement to develop new faculties, courses and subjects is acute. There is also a crossover of demand between the higher education sector and other types of public institutions, for example, the development of the public administration legal framework.

Provinces that are least economically and educationally developed (as measured by school performance results) will require specific treatment. In order to optimise the impact of local higher education institutions on socio-economic development, these provinces may want to continue their focus on teacher education, improving quality outcomes at upper secondary schools, English language tuition, foundation skills courses and bridging programmes during the next 10–15 years.

More developed provinces will have responsibilities towards the provincial or regional economy as well as to national requirements. These provinces should look to developing breadth as well as depth within their higher education institutions, for example by continuing to support teacher education and maths/science capacity and also by developing faculties including law, economics and trade.

Ensuring that the widest benefit of higher education flows to all regions in the country will require equitable access to all groups within society. A national policy framework to enhance access will have to deal with tuition-cost factors, entrance barriers and quality assurance. This will require at the very least (i) a tuition-fee policy with effective scholarship schemes and fee exemptions, (ii) a revised entrance examination system that restores community confidence in the integrity of the higher education entrance system and (iii) quality assurance systems that reach out and assist institutions in the poorer provinces.

Targeting Investment in Faculties and Course Specialisation for Maximum Economic Impact

For all provinces, increasing the impact of the higher education system will require linkages within the education system to enable movement between vocational and technical education and higher education. Better linkages with vocational and technical training will enable more efficient skill development and reduce inefficiencies through the duplication of training activities. This entails the accreditation of education providers to ensure a quality framework. It also requires a strong regulatory structure to enable recognition of prior learning and articulation of qualifications to benefit those older people who did not have access to education in their youth or those from areas with more limited education opportunities.

The system has always been strong on the production of foreign language graduates. The continuation of investment in English, Chinese and other foreign languages will enable economic opportunities to be taken up both in the major cities and in provincial centres, for example as international companies seeking industrial development seek out alternative locations.

Strengthening and Linking Research and Teaching Activities

A key question posed by any investment concerns how the benefits of the investment will be distributed equitably across a population. This question is particularly important in a very poor country such as Vietnam. Policy-makers at the central level need to balance the benefits that can be derived from an investment of scarce funds in research and development with those that can be derived from the production of suitable graduates for poor regions. Balancing (and where possible combining) the two investment streams remains a significant planning and operational challenge for Vietnam's planners and higher education institutions.

The potential impact of higher education within the economy is well understood by the government. It has expressed a strong intention to increase capacity in science and technology by developing top-tier research. The high cost of this research needs to be balanced with the potential economic benefits that can be derived from other research that could be undertaken by provincial higher education institutions.

Accountability and Quality Assurance

The higher education system in Vietnam will benefit from a framework that encourages the development of high standards in terms of academic management, accreditation and internal controls (The World Bank, 2008). This will benefit the country in the long term, not least by ensuring that disadvantaged groups will have continued access to higher education on an equitable basis. The development of such a system is a priority given the competitive pressures for the development of private institutions.

Conclusion

The Vietnamese economy is growing very rapidly. This growth is providing a strong incentive for a high rate of growth of enrolments in the higher education sector. It is also making the high rate of growth of the sector possible. Strategic challenges for further investment planning for growth of the system arise from the interplay of five sets of considerations: (i) the uneven economic growth across Vietnam's regions, (ii) the existing uneven distribution of poverty, (iii) significant variations in the quality of graduates produced by the school system, (iv) the current provincial differences in post-compulsory school participation and (v) a formal centralised control administrative structure trying to manage the operations of mostly province-based institutions.

Grand plans for the transformation of the higher education system in Vietnam are certainly required. Their success may well depend, however, on the extent to which they respond to the uneven social and economic development across regions and between groups. Successful modernisation of the higher education system cannot be built solely through the importation of outside models and systems. One enduring lesson of Vietnam is that what happens at the local level ultimately determines the direction and speed of change.

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Chapter 13
Accreditation in Vietnam's Higher Education System

Don F. Westerheijden, Leon Cremonini, and Roelien van Empel

Introduction

With the enactment of Vietnam's *doi moi* (renovation) policy in 1986, Vietnam embarked on the transition from a planned economy to a socialist market-oriented economy. Authorities made a commitment to increased economic liberalisation and structural reforms were implemented to modernise the economy and develop competitive, export-driven industries. Economic development took off as a result, though there were some hard years during the late 1980s. An increasingly diverse and dynamic labour market emerged. It followed that there was a need to reform and expand the higher education system. Measures to achieve significant reform of the system were introduced in 1993.[1] The growth of the system since then has transformed it from an elite system to one that provides opportunities for participation by a wider cross-section of the population. The gross enrolment rate reached 13 per cent by 2006–2007, up from a mere 2 per cent in 1992–1993 (The World Bank, 2008: 14–15). A qualitative change in the system has also taken place, with higher education no longer considered solely as a means of obtaining public-sector employment. It has now also become a means of educating specialists and managers for employment in the private sector, which progressively has become the motor of Vietnamese development (Oliver, Nguyen and Nguyen, 2003). Management of the system has become increasingly decentralised, both horizontally and vertically,[2]

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[1] Decree no. 90/CP, dated 24 November 1993.

[2] Horizontal decentralisation refers to the functional departments responsible for education and training in the central government. While the Ministry of Education and Training (MOET) still plays the key role, many institutions in Vietnam fall under other line ministries and government agencies (for example, Hanoi Medical College falls under the Ministry of Health); vertical decentralisation refers to the different levels in/of government responsible for education. The role of provincial governments in running educational institutions is increasingly prominent in vocational or technical tertiary education—an answer to the need to respond to community needs. See IIE2 (2004).

G. Harman et al. (eds.), *Reforming Higher Education in Vietnam*, Higher Education Dynamics 29, DOI 10.1007/978-90-481-3694-0_13,

and universities have increasing levels of flexibility in responding to societal needs. Tuition fees, which were introduced following the reforms in 1993, have enabled faster expansion of the system, and non-state higher education institutions are now an increasingly important element in the delivery of higher education services.

Recent analyses suggest, however, that the relationship between demand and supply is not yet balanced. Market diversification is not adequately aligned with the development of new socially and economically relevant careers and disciplines for reasons that include the lack of effective and appropriately qualified higher education managers (at both the system and the institutional levels), the need for curriculum reform, the need for new and improved materials and facilities, the need to develop a proper quality assurance system, the need for more collaboration amongst institutions and the need for a more balanced geographical distribution of students.

There is also a pressing need for international recognition of Vietnam's university qualifications. Global and regional developments play a crucial role in the changes that are taking place in Vietnam, and, within this context, Vietnam, like most other countries, must strive to ensure international recognition of the academic qualifications awarded by its universities. In this regard, Vietnam is not immune from the effects of international hype about university rankings. The methodological and conceptual issues related to rankings are beyond the scope of this chapter,[3] but the phenomenon itself is certainly not unrelated to the topic of accreditation of Vietnamese higher education institutions.

Accreditation of Higher Education Institutions

Accreditation is an instrument used in many countries to guarantee threshold quality levels. In its most general meaning, accreditation defines a specific process in which the quality of an institution or study programme is evaluated against a predetermined set of criteria by a third party, that is (or is connected to) the responsible authority. Successful completion of the accreditation process results in formal approval of the institution or programme by the responsible authority, giving the programme or institution the right to exist within the higher education system. This act of formal approval is also referred to as accreditation (Vlasceanu, Grünberg and Pârlea, 2004; Schwarz and Westerheijden, 2004).

In this chapter, we consider how accreditation has developed in the Vietnamese higher education system. Accreditation in Vietnam is expected to contribute to a culture of quality and accountability. Without the stimulus of external scrutiny, internal quality assurance often does not develop at all, but the extent to which internal quality assurance actually contributes to a culture of quality and accountability rather than being superficial compliance depends partly on the characteristics of the accreditation scheme. Improvement-oriented quality assurance does not thrive when the external evaluation gives negative impulses, such as when accreditation

[3] Some of the more valuable studies in this field include Bawden (2000), Vaughn (2002), Dill and Soo (2005) and Usher and Savino (2006). On benchmarking, a good source is Alstete (1995).

scrutinises fulfilment of 'laundry lists' and loses sight of the 'right to exist' of higher education institutions as being the main perspective. For accreditation to stimulate quality improvement, it must focus on standards that are relevant for the quality of students' education. Also, higher education institutions must feel they can control and improve their performance. Stimulating higher education institutions to develop such mechanisms for quality improvement should be part of the quality standards. Finally, the decision-making context should be positive, providing rewards rather than being solely punitive. The extent to which the Vietnamese accreditation scheme fulfils these conditions will become clearer in the course of this chapter.

With accountability comes autonomy, and in Vietnam this term has had a history of interpretations, partly because of semantic differences between English and Vietnamese. Originally, the expression *tu chiu trach nhiem* was used to translate 'accountability', and it means in fact 'self-responsibility'. Vietnamese universities and colleges—like their counterparts in many other countries—have often interpreted the concept as implying absolute freedom to organise their activities, leading to a purely 'introverted' understanding of the nature of autonomy whereby institutions do not feel obliged to account for their activities to any external body, organisation or agency. The concept of academic freedom may also become mixed up with this interpretation, resulting in notions of autonomy being applied at the level of the individual academic. In some cases, sources say that this interpretation may have led to violation of regulations in particular higher education institutions (UNESCO, 2006). Vietnamese scholars then suggested using a term closer in meaning to 'social responsibility' (*chiu trach nhiem xa hoi*), meaning that higher education institutions should be responsible to their stakeholders for their actions. MOET has followed this advice and has used 'social responsibility' in official documents since 2005 (first in Resolution 14/2005, the Draft of Revised University Charter 2007).[4]

Generally, 'assessment standards' in accreditation are used to assess institutions or programmes. These standards may be stated at different levels of abstraction, which are then defined and applied differently by different agencies. In the case of higher education in Vietnam, two levels of abstraction may be observed. At the more general level, the standards relate to broad topic areas (for example, 'organization and management' or 'international cooperation'), but do not communicate any specific or measurable expectations. At the more specific level, normative predicates are assigned to the standards (for example, 'the university's mission must be determined *clearly* and be *relevant* to the functions, resources and development orientations of the university, and it must be *relevant* and *closely related* to socio-economic development strategies of the locality and country). 'Vague norms' have the advantage of being adaptable to circumstances that vary from one part of the higher education system to another, and to changes over time, but they also allow latitude in interpretation and introduce discretionary judgement in assessment, which may create

[4] For this account of 'social responsibility' we express our gratitude to an anonymous Vietnamese reviewer.

uncertainty for the higher education institutions being evaluated. Handling such a level of uncertainty is not easy, certainly not when such 'tacit knowledge' has not yet been developed through experience with accreditation processes.

Implementing a governmental decision to introduce accreditation requires the establishment of an accreditation agency and set of institutionalised processes. Universities must learn how and when to prepare their self-evaluation reports; external evaluations must be organised and executed by trained evaluators; decisions have to be taken with predefined consequences attached to those decisions; a system for the follow-up of these decisions must be in place before the actual accreditation operations begin; an appeals procedure must be designed with an independent 'court of appeal' and so on. National agencies should support the development of sustainable quality assurance at the local level by providing methodologies, methods, standards and organisation models for use by universities in their internal quality assurance processes. National agencies also have a legitimising role for the internal quality processes.

At the institutional level, quality support arrangements at individual institutions, called quality assurance centres (QACs) in Vietnam, are essential for any type of quality assurance scheme to function at the local level. While involvement of the 'normal' academic staff is essential for a quality culture to take root in the 'inner life' of a higher education institution, a (small) support unit is needed to maintain the necessary minimum of coherence in the university and to bring the needed professionalism into quality assurance. With regard to accreditation schemes, QACs are responsible for the implementation of quality assurance concepts at the university as a whole. Every university/faculty goes through an evaluation process periodically, in connection with the strategy of the university; the QAC devises and disseminates instruments and handbooks for self-evaluation, resulting in a document to be written by the university/faculty, covering questions that address all elements needed to inform the accreditation process (broadly the unit's objectives, the extant state of affairs, the results and the possible next steps).

In Vietnam, QACs were initially established some years ago, the stronger ones at the two national universities, in particular at the Vietnam National University in Hanoi. These initiatives were part of a World Bank Higher Education Project, to which we shall return below. The ProfQim sub-project, the other main project treated in this chapter, helped establish QACs at five more universities (Thai Nguyen, Hue, Vinh, Da Nang and Can Tho). When it comes to aligning the internal evaluation with expectations of external review and accreditation, the focus of institutions will be on the 'check' and 'act' phases of the Plan-Do-Check-Act cycle.[5] These phases provide the contextual background for the subsequent external evaluation.

[5] The starting point of a system of quality assurance is self-evaluation, which generally precedes the external evaluation exercise. The institution will ask itself four basic questions: Plan: What is the institution trying to do? Do: How is the institution trying to do it? Check: How does the institution know it works? Act: How does the institution change in order to improve? (see van Vught and Westerheijden, 1996).

Genesis of Accreditation in Vietnam

Developing an accreditation system in Vietnam did not start from scratch. Inspiration was found through different projects, bringing in elements of experience with quality assurance and accreditation schemes in higher education from the USA, Europe, Southeast Asia and the Pacific region. The Ministry of Education and Training (MOET) can be credited with keeping an eye on the development of a single national accreditation system, even if project operation was left to various project partners from many countries. Obviously, finding synergy between the various good intentions created its own problems, as is discussed further below.

The largest impetus, in both duration and size of budget, came from projects funded by The World Bank (WB), which from 1996 on targeted quality assurance, starting with research on options for internal quality assurance in Vietnamese higher education institutions. In 2000, a national workshop added quality, defined in terms of contribution to the nation's economic development, to the national plans for higher education, and the first QACs were established at the national universities in Hanoi and Ho Chi Minh City (HCMC) (Oliver, Nguyen and Nguyen, 2003). In addition, the WB started to fund activities in higher education institutions for the improvement of quality. The WB's First Higher Education Project (HEP1), from 2004 to 2006, subsequently invested heavily in upgrading the infrastructure of higher education institutions—a basic condition for quality education, though not *directly* related to quality *assurance*. Quality assurance was considered to be part of the 'immaterial infrastructure' for quality of higher education, which was a reason for earmarking some of the funds for it.

By 2001, quality had entered the national strategic plan for education (2001 to 2010). It was determined that an accreditation system should be established by 2005 for the education system as a whole. A new office in MOET was established in 2002, and in 2003 was named the General Directory for Educational Testing and Accreditation (GDETA). This directorate was tasked not only with establishing an accreditation system but also with coordinating the tests for entrance examinations into universities. Its tasks did not end there. GDETA subsequently became involved with testing across the whole of the education system, from primary through to tertiary education. With only nine members of staff, GDETA was under-resourced for its responsibilities, which had an adverse impact on the progress of some projects.

In 2002 and 2003, another development took place. Within the framework of regional cooperation provided by the Southeast Asian Ministers Organisation (SEAMEO), a dozen civil servants and other higher education experts from Indonesia, Thailand and Vietnam took an intensive training course on evaluation and accreditation at the University of Twente in the Netherlands. This exercise developed an appreciation of the regional aspects of accreditation of higher education.

Around the same time, GDETA established contacts with experts on accreditation from the United States. This initiative resulted in the formulation of ten quality

standards as the core of a provisional regulation on the accreditation of higher education institutions, published at the end of 2004. This provisional regulation laid the basis for a pilot project to test quality standards in 20 Vietnamese universities. The pilot project became the place where two other projects, funded respectively by the WB and the Dutch government, converged.[6] The two projects had different aims and included different levels and types of resources, leading to some improvisation in their coordination by the project officers, who at first were unaware of GDETA's decision to combine the projects.[7]

The WB project brought with it considerable funding, but its focus was on upgrading university infrastructure rather than on the establishment of accreditation processes. The Dutch government's project focused more directly on programme quality and brought with it considerable expertise but not a large volume of funds.

The Dutch project consisted of two sub-projects, the larger of which was nicknamed ProfEd because it focused on supporting the development of professionally oriented education that is, study programmes explicitly aimed at the 'world of work'. Adding such study programmes to the higher education spectrum was deemed necessary to make higher education more directly relevant to the nation's economic development. Eight Vietnamese universities from around the country participated, first to set up links with regional employers and then to adapt curricula to their needs. MOET's role was mainly to support this development by adapting curriculum prescriptions. Although this sub-project is of importance for the understanding of 'what constitutes quality', it did not focus directly on quality assurance and will, therefore, not be reported here. The second sub-project, which was nicknamed ProfQim, short for 'professionalising quality improvement', aimed directly at developing internal quality assurance capacity by establishing QACs in five regional universities (overlapping partially with the eight universities involved with ProfEd). Within this sub-project, support would be provided to GDETA to enable it to establish national structures for accreditation and to review the experiences of the accreditation pilot project (explicitly mentioned were standards and criteria). The ProfEd and ProfQim projects were planned to run for a 4-year period from 2005 to 2008.

In 2006, an opportunity arose to link the HEP1 and the ProfQim projects. This development and its implications are documented in the following section.

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[6] Or perhaps we had better say that GDETA succeeded in adding up the funds and other resources from two foreign sources to implement this pilot project.

[7] During our work on the ProfQim-project, we became aware of a number of other projects, also concerning quality assurance in higher education, also related to MOET/GDETA and also focusing on quality of higher education. Sponsors of these projects were located in the USA, Australia, Germany and there were even other projects from the Netherlands (related to quality assurance in vocational training).

The Accreditation Pilot Project

ProfQim and HEP1: March 2005–January 2007

When the two Dutch projects were launched in March 2005, the HEP1 project was already under way. The authors' organisations, CHEPS and NQA,[8] were involved in the ProfQim sub-project at the national level; support for the QACs in the five pilot universities was given on a twinning basis by partner institutions in the Netherlands. The whole project was coordinated on the Vietnamese side by MOET and on the Dutch side by the HBO-raad (the Dutch Association of Universities for Applied Sciences). Together, these organisations operated the Project Management Unit (PMU) in Hanoi. Through missions to Vietnam, on-line assistance and study visits in the Southeast Asian region, as well as by means of reciprocal visits to the Netherlands by Vietnamese participants, the ProfQim project provided system-level support to the GDETA.

One result of intense discussions on the implementation of the HEP1 project was that the PMU was contracted in May 2006 to organise and execute the pilot accreditation process with 20 universities that was being sponsored by GDETA. No provision had been made for a systematic analysis of the data, which undermined the value of the pilot from the point of view of informing policy. A further deviation from evaluation research ideals came when, for reasons of feasibility, the original HEP1 pilot group of 20 universities had been split into two separate sub-groups, one of 12 universities, to be audited in 2006, and the other of 8 universities, to be audited in 2007.

In-country expertise regarding audits for accreditation purposes was lacking. Moreover, audit procedures and protocols had yet to be developed and the HEP1 funds for executing the pilot could not cover the costs of recruiting and training panel members, conducting audit visits and writing reports. Hence, in 2006 the ProfQim project offered support to HEP1 participants involved in the pilot accreditations, including both the external accreditation panel members and the representatives of the 20 institutions in the accreditation pilot.

CHEPS and NQA developed a set of procedures and protocols to ensure that newly recruited members of the accreditation panels for the first sub-group of 12 pilot-accreditations could work in a consistent fashion. These protocols aimed to help the external evaluation panels use the standards and criteria that had been previously developed. They were presented in a Handbook for Panel Members and were trialled in the evaluation processes for the first 12 universities. Before conducting the university visits panel members attended a 1-week training workshop on the use of the protocols. Since most worked in one or other of the 20 universities in the pilot group as a whole, or at MOET, the training effectively involved auditors, 'auditees' and MOET staff.

[8] CHEPS: Centre for Higher Educations Policy Studies. NQA: Netherlands Quality Agency.

The universities concerned had been provided with training in self-evaluation well before the external evaluation panels were organised. Their self-evaluation reports were already 1–2 years old by the time the external evaluations took place.

MOET and ProfQim agreed on an 'After Twelve' review of the audit processes to assess the process and review the instruments. Accordingly, a conference was held in January 2007. A noteworthy development during the Autumn 2006 pilot-audits was a small but significant extension of the visiting teams. After the first two visits an observer (together with a translator) was introduced at the ministry's request. This was in addition to MOET's own observer (the secretary) and resulted in a large visiting team: six panel members, an observer and a translator.

Review of the First Part of the Accreditation Pilot (January 2007)

The 'After Twelve' conference showed that the panels had been able to establish the extent to which the 12 universities complied with the requirements (standards and criteria) in the accreditation frame. The procedures and the protocols had proven useful in ensuring consistency across universities. The panels found that these protocols had offered them guidelines for their work, although it was also clear that the accreditation frame and the protocols would need adjustment (see below). However, during the conference it was agreed that the remaining eight universities would be audited using the same set of instruments.[9] Using adapted protocols was considered unfair, especially because of the risk of certain institutions obtaining (or not) additional funding while not having been assessed in the same way.

The conference was an opportunity to share important lessons learned during the first 12 pilots, on both the procedural and the content sides. On the procedural side, it became apparent that panel members, and particularly the secretary, needed more time for report writing after each visit. Advanced training on report writing for reviewers before the review was deemed crucial, and the importance of group decision-making was emphasised because it was considered that decisions ought not be made simply by means of a majority but should instead be the result of reasoned in-panel discussions. The presence of a consultant on the panel was considered necessary, albeit transient: while this role was unanimously seen as pivotal during the early visits, it was considered that it could be phased out as the process developed.

Regarding the standards and criteria, it emerged at the conference that, as yet, there was no homogeneity in the achievement of the standards by different institutions. In the beginning, each criterion was defined with achievements at two possible levels. Achieving level 2 was better than achieving level 1, and typically achieving level 2 implied achievement of level 1. For example, criterion 2.4 dealt with the development of strategies and development plans that were relevant to the socio-economic growth of the region. Level 1 required only having short-term plans,

[9] The accreditation frame in itself is an instrument, as are, in a manner of speaking, the panel members, their instructions and the protocols.

whilst level 2 meant that the institution also had mid-term plans. Given these assessments, it was possible to assign a 'level score' to the standard as a whole. The external review team that conducted the 12 pilot accreditations decided for each criterion and standard where the institutions stood. Subsequent decisions at the national level led to the elimination of the levels. However, this exercise made it possible to gain valuable comparative information across the different institutions. It must be noted that the exercise was meant to bring to the surface problems, differences and similarities that emerged during the pilot for the purposes of improvement. The intention was not to 'judge' each institution against the others (in other words it was not a benchmarking exercise, nor was it meant to suggest any form of ranking). Thus the comparisons, while based on information from each pilot, remained completely anonymous (institutions were not named).

Chart 1 below represents the 12 pilot institutions' level 2 awards for each of the 10 standards. The difficulty in achieving certain standards is apparent (for example, no institution achieved a full set of level 2 awards in 'training', 'curriculum', 'library', 'staff' and 'learners'). The chart also shows the extent of inter-institutional diversity in the attainment of different standards (for example, 'research' ranges from 0 to 100 per cent of level 2 awards across the 12 institutions).

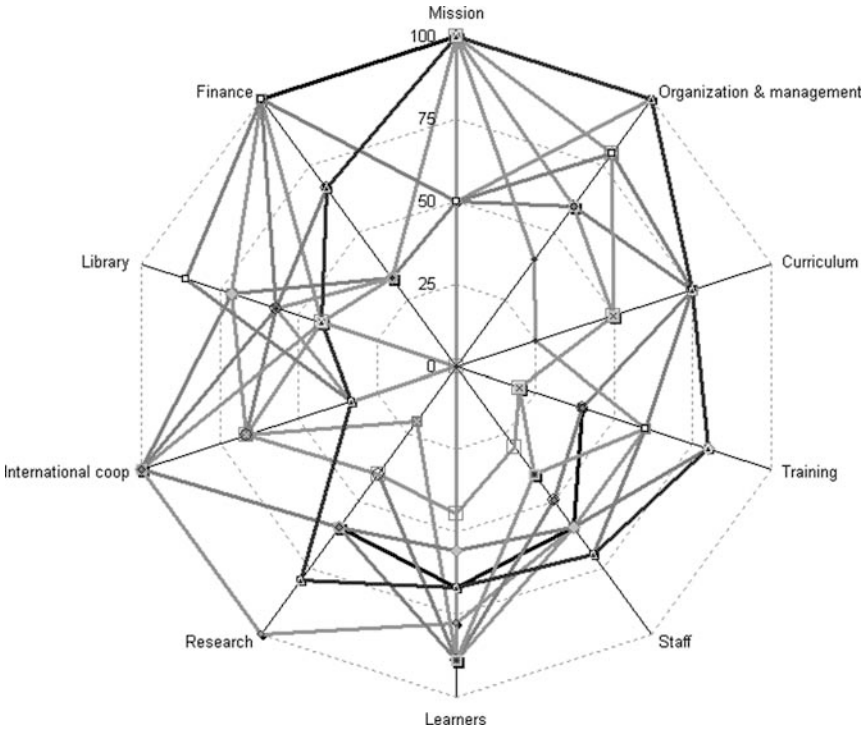

Chart 1 Level 2 awards across the 12 pilot institutions (January 2007)

After the Conference: (January–August 2007)

During the first 12 audits the panels had found that several criteria in the accreditation frame were ambiguous and not mutually exclusive. Thus, GDETA requested that a multi-national working group including two Vietnamese experts and three experts from the Netherlands redraft the accreditation frame so that it could be formalised and used to direct the self-evaluation reports for the coming academic year. Between February and April 2007 the overlaps and ambiguities were addressed. The new draft also addressed decision rules for defining the measure of achievement per criterion. A new Handbook for Panel Members was also drafted. This document was expected to be helpful both to panel members in their accreditation work and to universities in preparing their self-evaluation reports. In June 2007, the working group submitted a draft for a revised decree. The re-drafted accreditation frame was the main input for a week-long training programme in August 2007 for GDETA staff and staff of the QAC's of five ProfQim universities. Because the combination of GDETA staff and university staff in training programmes and conferences enhanced mutual understanding, it was decided continue on these lines.

The Next Eight Audits (Spring 2007)

The organisation that had originally drafted the accreditation frame conducted the next eight audit visits in early 2007, according to revised protocols and procedures. Site visits were longer and task allocations within the panels were changed; new panel members had been recruited and trained according to the redrafted protocols and procedures. As a result, the HEP1 pilot developed into two different pilots, and comparison between the outcomes of the audits of 'the first twelve' and 'the next eight' became problematic.[10]

Before the Training Programme in August 2007

In August 2007, it became apparent to GDETA that more fundamental changes were needed, not only to the accreditation frame, but also to the decision rules for defining the performance of the universities. The draft decree had undergone fresh revisions. The fundamental changes concerned, for instance, the abandonment of the original 'levels', both in the criteria and in the status of the accreditation. Furthermore, the concept of 'accreditation' was mitigated. The idea of 'pre-accreditation' was deemed appropriate for the first cycle, as the outcomes of the accreditation process were now held to be primarily of indicative value. During a meeting between GDETA, CHEPS and NQA, it emerged that the original plan

[10] Obviously, any comparison between the outcomes of the 20 pilot audits and of those in the coming years will also need to take in account differences in the audit instruments.

to submit all institutions of higher learning to an accreditation process was overly ambitious, in view of the current state of Vietnamese higher education. Some system of sampling needed to be devised to introduce a system of external quality assurance more gradually. The outcomes of the 'sample accreditations' are expected to have spin-off effects that will benefit all institutions in years to come.

The Training Programme in August 2007

The participants in the training programme for GDETA and QAC staff in August 2007 were largely newly appointed staff, both at GDETA and at the universities concerned. Although this was only the third collective activity in which GDETA staff and university staff had joined in discussing new angles to quality assurance, the training programme had the character of a new tradition. Apart from its content, which all participants considered enlightening, the programme may have marked the beginning of a tradition of regular (annual, or twice-yearly) workshops on quality assurance in Vietnam.

The ProfQim project terminates at the end of 2008. Given the positive feedback received on experiences so far, an enduring platform as described above, but extended to more institutions than the five recently audited ProfQim universities, is most desirable. A body other than ProfQim's PMU could take charge of organising this in the future.

Discussion

This chapter has addressed the steps that have been taken to date in Vietnam to introduce an accreditation scheme for the higher education sector. Our focus has been the pilot on institutional accreditation in which the World Bank's HEP1 project and the Dutch government's ProfQim project converged. Some general conclusions may be drawn.

It is important to stress at the outset that this accreditation process was a pilot aimed at testing an accreditation methodology. Hence, changes in the accreditation methodology were to be expected. In fact, adapting methodologies to experiences is the essence of policy learning. However, from a methodological point of view, the pilot was not flawlessly designed. It involved, for example, a convenience-related split between two groups of universities, one group with 12 universities in it and the outer group with eight. Furthermore, the pilot was organised by different external partners, using somewhat different methods. As mentioned previously, drawing lessons from the pilot may prove to be challenging.

In general, accreditation tends to be a control instrument rather than a quality improvement instrument. Higher education policy in Vietnam seeks to combine the two: improvement through control. For this to be effective, the accreditation scheme must:

- contain 'smart criteria' (for example, on a sustained internal quality assurance scheme that *can* underpin continued quality improvement);
- realise that reaching the minimum standards can be a sufficient quality improvement in itself, if there are many universities expected to be under that threshold;[11] and
- maintain a decision-making context with positive incentives to avoid the risk-aversion strategies so often found in accreditation schemes—GDETA's decision during the pilot project not to award additional funding to high-performing universities did not support this positive context.

Developments take time, especially in the beginning of an accreditation scheme. All parties, including the national coordinator, have to learn their roles in the accreditation scheme. As yet, one of the weaknesses of the institutional arrangement has been that this role has had to be taken up by an already overloaded GDETA.

GDETA was effective in combining the two foreign projects, HEP1 and ProfQim, even though the fact that each had a different trajectory did lead to some friction and loss of efficiency in the overall accreditation pilot project. Neither side expressed ill will, but managing such a complex project was simply very difficult.

The ultimate question is, of course, whether these projects helped Vietnamese higher education to adapt better to current and future challenges. Our first answer has to be that it is too early to say because the projects are not yet at their end. It is also necessary to draw attention again to the difficulties of coherence between the HEP1 and the ProfQim/ProfEd projects. A further consideration is that implementation of the projects was delayed because of GDETA's overload of commitments, so that ProfQim could not perform all the activities that had been planned in the project proposal.

All the same, we would like to end this chapter by affirming that the steps taken seem to have been in the right direction. An evaluation and monitoring capacity is developing in Vietnamese higher education institutions, which is a condition for curriculum change, whether spurred by accreditation or not. Accreditation principles have been integrated with the system, some of which have the potential to stimulate universities in their quality improvement activities.

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[11] In the pilots, GDETA had selected some of the 'best' universities of the country; for other universities, achieving the 'level 1' criteria could be enough of a challenge. No wonder that GDETA decided to simplify the accreditation frame after the pilot by leaving out the 'level 2' descriptors.

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Chapter 14
Internationalisation of Vietnamese Higher Education: Retrospect and Prospect

Anthony R. Welch

Introduction

It is not possible to understand major developments in the current Vietnamese higher education system without at the same time comprehending how international influences, and resistances to foreign incursions, have helped to shape it. While current influences from both China and the West are evident, a much longer trajectory of international influence is evident. Indeed, right from its inception, the character of higher learning in Vietnam has been significantly shaped by external influences, and should not be understood apart from those prevailing winds. Curriculum content, intellectual influences, foreign teachers and language of instruction all show clear influences from abroad.

Enduring Chinese Influence

It is no surprise that Vietnam's giant and at times troubling northern neighbour has been such an abiding influence. Just as elements of the contemporary Vietnamese higher education system, most notably its people's universities, are examples of Chinese influence, so too are major elements in the history of Vietnamese higher learning, as any visitor to Ha Noi's ancient and beautiful *Temple of Literature* (see Figure 1) can tell.

It is important to be reminded that when Emperor Qin Shi Huangdi (259–210 BCE) unified China around 221 BCE, at the end of the Period of the Warring States, the territory extended to the Red River delta, in what is now Vietnam. Subsequently, Emperor Wudi reclaimed territory that was lost after Qin's death, including the north of the current Vietnam. Rejecting Qin's legalism, Wudi revived Confucianism, including as a means to careers in the civil service. Han Chinese fostered poetry, astronomy, arithmetic and medicine, as well as the Chinese script, which spread over

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Fig. 1 Ha Noi's Temple of Literature. Entrance to Temple of Literature (*Van Mieu*), Ha Noi. The temple, dedicated to Confucius, was founded in 1070 by Emperor Ly Thanh Tong and provided training for scholar officials. Stelae, inscribed with Chinese characters, are still to be found in the Temple courtyards

time to Vietnam, where works were composed both in that language and in Nom, the local language. Numbers of Han Chinese migrated to the northern regions of the current Vietnam (Annam and Tonkin) and settled there in a context in which Chinese and civilisation were but two sides of the same coin. During the Tang dynasty (618–907 CE), Chinese moves to the south again incorporated parts of modern Vietnam. This implied, however, a reciprocal relationship, as Gelber points out: on the one hand, it entailed that the Son of Heaven should act benevolently to China's neighbours, who "gained stature, and received concessions and help" (Gelber, 2007: 47). On the other hand, such groups were deemed barbarians and were expected to pay obeisance and tribute to the Tang emperors.

Confucianism has long exercised a significant influence on Vietnamese society, in terms of both social structure and learning. While Confucianism reached Vietnam about 2000 years ago (around the same time it reached Korea), it was during the Tang era that strong government was established, the civil service examination was strengthened and court officials began to replace the traditional aristocracy. The Tang legal code proved influential in Vietnam, and a Confucian revival ensued, with the rise of some great Vietnamese scholars and interpreters of the revered *Four Books* and *Five Classics*, which so influenced Vietnamese culture and learning. Some Vietnamese scholars travelled to centres of Chinese learning at this time, just as did Korean scholars (Gelber, 2007: 52; Welch, 2005). Some of the more significant Vietnamese scholars of Confucianism over something like a millennium from the tenth to the early twentieth centuries included Chu Vãn An, Nguyên Trãi, Nguyên Binh Khiêm, Phùng Khãc Khoan, Lê Quí Dôn, Pham Quí Thích and Phan Huy Chú. After reaching its apogee in the early Ly dynasty in Vietnam, the influence of Confucianism spread through

> . . . every area of society, from government institutions and political activities, to economy, military affairs, literature, architecture, morality, education and the system of civil service examinations. Confucianism touched people from different social strata, . . . influenced their habits, and became part of their customs." (Confucianism, 2007: 3)

Traditionally revered in Vietnam as the Teacher of Ten Thousand Sovereigns, some scholars hold the Confucian doctrine of "managing state affairs and bringing peace to all under heaven" (Confucianism, 2007: 3) still to be of particular significance for Vietnam:

> As for the recruitment of officials, examinations based on Confucianism, as applied in China, were organized ... for more than eight centuries (from 1075 to 1919 AD in Viet Nam) ... South Viet Nam (before the reunification of the country) remained particularly faithful to his thought, especially in the domain of moral education. (Yang, 1993: 6).

The influence of Confucianism, including its emphasis on harmony, dignity and morality, in both family and the wider society, is said to still permeate contemporary Vietnamese society, although in perhaps a more syncretic fashion than in China. In Vietnam, Confucianism had to compete with Daoism and Buddhism, and it was also "assimilated into the Vietnamese culture, through the dictates of indigenous thought" (Confucianism, 2007:1).

French Colonial Influence

European colonialism also left its mark on Vietnamese higher learning, especially from the latter half of the nineteenth century, when the French gradually extended their control from the south (then called Cochinchina) to the north (Annam and Tonkin). Even before this however, Alexander de Rhodes had developed a roman script form for the Vietnamese language, which until that time had been largely restricted to the moderately meritocratic scholar official classes, who employed the Chinese script. The French used the new script to extend their hegemony, while nationalist resistance insisted on retaining the older Chinese script. Catholicism was another French import, while a further Western influence was evident in the paler imitation of the French *Grandes Ecoles* – that paralleled, in some ways, the codified and centralised Mandarin-style form of higher education that preceded it.

In the early twentieth century, this imported system produced a small number of local graduates, specialised in specific disciplines, who, however, needed to travel to France to extend their education.[1] Most of the early institutions of higher learning introduced by the French were based in Ha Noi. Of these, the first was the School of Medicine and Pharmacy (considered to be the antecedent of the Hanoi University of Medicine), founded, in 1902, while a Teacher Training College, a College of Law and Administration and a College of Engineering were all added before 1920. Some colleges were merged in the 1920s and 1930s to form the Indochinese University, also in Ha Noi. Providing in theory for the needs of the entire Indochina area, it had enrolled some 1,200 students by 1945. The goals of colonialism remained at some variance, however, with the nationalist aspirations of independent-minded students.

[1] Some of these, most notably Ho Chi Minh (1890–1969), were subsequently radicalised in France by mixing with French and Russian communists.

Overall, according to Pham (1998), the French legacy was very modest. He noted, for example, that in the early 1940s a mere 3 per cent of the population had entered the education system and over 95 per cent of the populace remained illiterate. The small number of Vietnamese enrolled in school studied in French-language classrooms, effectively as colonial subjects.

Post-War Influence of Socialist Countries

The establishment of two Vietnam's in 1945 (the Democratic Republic of Vietnam, or DRV, in the North, and the Republic of Vietnam, or RV, in the South) heralded two parallel systems of higher education. In the former, the statist rigidities of both the classical "Mandarin" era and French colonialism arguably lent themselves rather too well to the socialist era. In some ways similar to the Chinese form of socialism across the border, the Vietnamese form was, however, strongly marked by nationalist aspirations, and a major early effort was made to extend the use of Vietnamese as the language of instruction. Prior to reunification, in the North, nationalism mingled with Communist ideology in the reform of the higher education system, with the assistance of fellow socialist states, notably the then USSR, and also its Eastern bloc neighbours, and with some assistance from the People's Republic of China. Total college and university enrolments in North Vietnam increased swiftly from 8,000 to at least 50,000 between 1959 and 1975, by which time existing higher education institutions could no longer cope with the swelling ranks of secondary graduates.[2] Nonetheless, progress was impressive, with many new specialist institutions being founded on the Soviet model, ranging from agriculture and forestry to pharmacy and medicine. Even while fighting the French, a Civil Engineering College and a College of Fine Arts were established (Pham, 1998: 151). By 1970, a total of 42 universities had been founded, while some 100,000 people graduated from Northern universities between 1965 and 1974, strikingly the period of greatest hostilities during the Second Indochina War. At the time of re-unification in 1975, the DRV (North Vietnam) had 30 HEIs, all of them public sector institutions. Pham Minh Hac cites a total enrolment of 56,000 students in 1974/5, 40 per cent of whom were women, with 8,400 academic staff (less than 9 per cent of whom possessed doctoral qualifications).

Specific forms of foreign cooperation from the socialist world, most notably from the former USSR, were instrumental in the development of Vietnamese higher education in the North. Prior to 1976, this cooperation largely occurred via the Council on Mutual Economic Assistance (CMEA). This Soviet-sponsored organisation of Russian, Eastern European and other socialist states succeeded the predominantly

[2] It is estimated that no more than 15 per cent of secondary graduates could find a place in an institute of higher education, a situation that parallels current conditions.

French influence. CMEA offered thousands of Vietnamese students opportunities to undertake higher degrees in socialist states; indeed it is still common to speak to Ministry of Education and Training (MOET) and other mid- and senior-level officials who, 25 or 30 years ago, studied economics, engineering or other such specialisations in the former USSR, Romania, the former German Democratic Republic (GDR), Hungary or Czechoslovakia. Perhaps 20–25 per cent of all graduate students in the DRV gained their training in this way between 1955 and 1965. Some 593 students were sent from the Democratic Republic of Vietnam (DRV) between 1951 and 1954, and Nguyen and Sloper (1995) have reported that, over the period from 1961 to 1970, 12 Vietnamese obtained a higher doctoral degree from the USSR, and another 5 gained a similar qualification from the former GDR. The following decade saw further growth, with doctorates obtained from the USSR rising to 25 and from the GDR to 18, with another 4 from Poland, 1 from Bulgaria, and 1 from Hungary (Nguyen and Sloper, 1995: 119). Overall numbers of Vietnamese studying in former socialist states were substantial: some 30,775 students went abroad to study between 1955 and 1975, 55 per cent of them in the USSR (Dang, 1997: 11).

The contribution of the former socialist states, notably the USSR, should not be underestimated, contributing to a much swifter development of human and institutional resources than would ever have been possible without this key external support. Nonetheless, the Soviet legacy was ultimately rather ambiguous, with the Vietnamese education and training system suffering from most of the rigidities of a command economy. For example, while the ministry responsible for higher education was nominally in charge of the entire higher education system, this was not always the case in practice. Many old Soviet-style institutions existed, frequently under the control of specialised ministries such as Agriculture, or Finance:

> In 1983, only 16 universities were administered by the Ministry of Higher and Vocational Education. Others were under the auspices of other corresponding ministries. For example, the medical schools were under the Ministry of Health, the agricultural colleges were under the Ministry of Agriculture, and colleges of architecture, under a ministry in charge of construction. (Savageau, 1996: 52)

Thus, somewhat like in the USSR at the time, individual ministries often established and controlled their own institutions, which served their own training demands. The pattern persists today, with 13 ministries having responsibilities for their own HEIs (Hayden and Lam, 2007).

Two further results of influence by the former USSR and its satellite states are evident. First, equipment and facilities at Vietnamese higher education institutions were often outmoded, and of poor quality, often reflecting the origins and priorities of donor countries. Secondly, narrow specialisation, a product of the Soviet influence, meant that graduates were not always well equipped to meet the changing needs of a dynamic, transitional economy, while the proliferation of smaller institutions meant that economies of scale were non-existent, and training often too narrow and specialised.

Post War French and US Influence in the South

French influence waned after the Second World War, and, after the French defeat in 1954, it was paralleled by a rising US influence. By the 1970s, there were four large comprehensive HEIs in the South: Sai Gon, Hue, Can Tho and Thu Duc Polytechnical University. Mostly, these institutions, of which the most important was Sai Gon University, comprised numerous colleges (for example, Sai Gon University had 13 constituent colleges). Although distinctively Vietnamese, their organisation reflected a more Western institutional style, exhibiting a more comprehensive organisational pattern than the monotechnical HEIs of the North. A further HEI to reveal foreign influence was Da Lat University, the first private HEI founded in the South, established in 1958 with the support of the Catholic Church (Le, 2006: 50). Min Duc University, another private HEI, established in 1970, also had Catholic support (Le, 2006: 52). An early sign of US influence was the establishment of three Community Colleges in the early 1970s: Tien Gan (situated in My Tho), Duyan Hai (located in Nha Trang) and Da Nang (in Da Nang city). These were really only at an early stage of development, however, at the time of reunification in 1975.

Brain Drain

Since reunification in 1975, the two former higher education systems, each with its own international heritage, have been merged into one. In the process, another element has become more evident, one also associated with the internationalisation of the Vietnamese system.

Currently, around 15,000 Vietnamese students study abroad each year. After a period during which the main, or only, students to go abroad were publicly sponsored students, the government now encourages families who can afford to do so to send their children abroad for further studies. The fact is, though, that by no means all these students return at the end of their studies, which means that a brain drain has become a long-standing and significant issue.[3] The government has recently introduced a special scheme to encourage study abroad opportunities for its younger talent. Each year, some 400 students are given scholarships to study abroad in areas deemed to be of high national priority (such as IT, Maths and the Sciences). Each student is given US $35,000 annually to cover fees and living expenses, and these students are legally obliged to return and work for the state at the conclusion of their studies. Their families incur a hefty penalty should the recipients fail to comply. In practice, few fail to return, but not all remain in the public sector for long.

[3] This phenomenon is also evident in many neighboring countries, such as China, where recent figures indicate that, of over a million students to have studied abroad since 1978, only around a quarter have returned home (Welch, 2008; Welch and Zhang, 2005, 2008).

Many countries provide development scholarships to enable Vietnamese students to study at HEIs abroad. A total of 298 such postgraduate scholarships were made available in 1996, rising to 315 in 1997 and 341 in 1998. Scholarships offered by various countries for the year 2000 are shown in Table 1. Since then, other countries, such as Taiwan and Germany (Viet Nam News, 2007a), have also begun to provide doctoral scholarships. For the year 2003, China provided 130 scholarships to Vietnamese students to study at Chinese universities (CSC, 2004), while private enrolments would form a much larger total. The *China Education Yearbook* showed 1,170 Vietnamese students enrolled in Chinese universities for the year 2002 (CEY, 2003). In 2007, more than 240 Vietnamese students received a combined VND 260 billion (US $16.25 million) to study in Australia, mostly at Australian universities (VN News, 2007a).

In addition, perhaps twice as many students are offered scholarships directly by overseas HEIs, foundations or corporations, while thousands more (usually from the more prosperous South) finance themselves to study abroad. Statistics indicate that some 1,400 students were enrolled in Australian universities in the year 2000. By 2005, the figure had increased to 2,379 students (AEI, 2006). In the USA, after a post-1975 surge in enrolments, numbers fell appreciably, such that by 1993, numbers had declined to less than 1,000 students, rising subsequently to about 1,500 students in 1997 (Kelly, 2000: 10). Current figures show that Vietnamese enrolments in US universities had reached 4,597 for 2005/6.[4]

Not all Vietnamese students who study abroad return home. A UNDP-sponsored *Transfer of Knowledge through Expatriate Nationals* (TOKTEN) programme was developed in the 1990s to address this problem. It seeks to attract skilled and educated expatriates to return home to teach, train and work, at least for a specific term, with the option of returning to their adopted country, upon completion.

Table 1 Study abroad scholarships, by country, year 2000

Country	Number of scholarships provided
Canada	10
United Kingdom	70
France	200
Australia	150
Thailand	70 short + 10 long term
Japan	60
United States	30 (Masters) Fellowships.
TOTAL	600

Source: Kelly (2000: 11).

[4] Interestingly, for the previous year, 346 US students were studying at Vietnamese universities (IIE, 2006).

The Contemporary Situation

Vietnam remains to some extent a site of contradiction between the demands of socialism and the trend towards a vigorously growing market economy. Though the rhetoric of socialism permeates political, social and cultural life and is taught compulsorily in higher education courses, strong economic growth, underpinned by an adherence to market practices, is having a dramatic impact on the nation's economy. Notwithstanding rising concerns in 2007 and 2008 about overheating of the economy, Vietnam's annual GDP growth is second only in the region to China's, and its recent (January 2007) accession to the World Trade Organisation (WTO) membership has served to increase its economic and cultural integration with the rest of the world. An unexpected consequence of WTO membership is that it has sparked an even greater increase in demand for educational services, some of which are being supplied by foreign individuals and institutions. In this context, internationalisation of higher education becomes an even more central concern for government policy.

The government is committed to sending students abroad through, for example, schemes such as 322, which each year sends around 450 of Vietnam's best and brightest students overseas for study, at an annual cost of 100 billion Vietnamese dong (HERA, 2005: 73). Country-specific programmes also exist, for example, the *Training Vietnamese Citizens in (the) Russian Federation under the Debt Processing Agreement*, which at an annual cost of some 48 million Vietnamese dong has seen 305 students sent to Russia for their undergraduate training, and 12 to gain their doctorates (HERA, 2005: 74). The programme is scheduled to continue for the decade, commencing in 2001. Another programme, the *Vietnamese-American Education Foundation Project*, will result in 100 students being sent annually to the United States to study in the priority areas of medicine, natural sciences and technology, mathematics and environmental sciences. The annual budget for this programme is around US $5 million, and the programme includes visits by US professors to Vietnam to lecture and cooperate in research projects. Another instance of internationalisation, arguably the most notable (see below), relates to the establishment of a branch of the Royal Melbourne Institute of Technology (RMIT) in Ho Chi Minh City (HCMC) (with a smaller campus in Ha Noi).

Committed as it is to Vietnam's future transformation into a knowledge-based economy, the government is also currently revising its educational strategies and targets in a context that accords higher education a vital role as the site for the production of highly skilled and internationally experienced leaders across a range of fields. Recognising the significance of what a recent analysis termed *The Shift Towards Services* (UNCTAD, 2004), the Vietnamese leadership is pursuing a three-pronged strategy: to increase public investment in higher education; to encourage private investment and achieve further privatisation (termed "socialisation" in Vietnam, for obvious reasons) of higher education and to encourage further foreign investment in higher education. It is notable, for example, that upon entry to WTO membership in January 2007, Vietnam's commitments included opening up higher education to foreign competition, and it specifically allowed the establishment

Table 2 Vietnam's educational targets 2010 and 2020

Target	2000	2010	2020
Adult literacy rate	94%	97%	–
Kindergarten net enrolment	81%	98%	–
Net Primary enrolment	92%	98%	–
Primary school completion rate	66%	85–95%	–
Net lower Secondary enrolment	74%	90%	–
% of lower secondary enrolment in semi-public and private schools	–	20–40%	–
% of vocational training students in non-public schools	–	70%	–
% of higher education enrolment in non-public (private) HEIs	10%?	30%	40%
Net upper secondary enrolment	38%	50%	–
% of trained working labour force	19%	42%	42%
Higher Ed. students per 10,000	118	200	450
Enrolment of Masters candidates	11,727	38,000	–
Enrolment of Doctoral candidates	3,870	15,000	–
Lecturers with Masters Degrees	27%	40%	60%
Lecturers with Doctoral Degrees	18%	25%	35%
% of revenue from non-state sources	–	15%	25%

Sources: The World Bank (2001: 62); Socialist Republic of Viet Nam (2002: p. 27); HERA (2005). 2010 targets are largely from the earlier documents, and 2020 targets are as specified by HERA.

of wholly foreign-owned institutions (Welch, 2007).[5] Some indication of the ambitiousness of Vietnam's educational targets for the future is presented in Table 2.

Establishing a Wholly Foreign-Owned University: The Case of RMIT

For Vietnam, just as for its larger northern neighbour whose development strategies it often emulates, internationalisation of higher education represents a key strategy to improve the quality of domestic higher education, open up further opportunities for human resource development and promote increased competition. The founding of a branch campus of RMIT in Vietnam arose from a confluence of factors. Key among these were an established in-country presence of some years by RMIT, strong bilateral relations between the two countries,[6] support from local firms, philanthropic support and government's commitment to open the country to service-sector

[5] In fact, however, this approval of fully foreign-owned campuses was not new for Vietnam, as the case study of RMIT reveals.

[6] Although Australia had fought with the Americans in Vietnam, it withdrew its troops in 1972 and re-established diplomatic relations with Vietnam in 1973.

trade and foreign investment in higher education. Indeed, a key factor shaping the branch campus development was government's insistence on

> . . . full foreign ownership and independent international curricula so that a new university, with a technical and vocational emphasis, might quickly come into being as a model and training ground to assist the development of capacity across the education, training and research sectors. (Wilmoth, 2004: 4)

The beginnings of RMIT's branch campus in HCMC significantly predate its establishment. As early as August 1994, RMIT established institutional links with Vietnam National University, Hanoi. In 1995, the two universities jointly established the Centre for Systems Development and, in 1996, RMIT funded the building of International Cooperation House (Nguyen, 2000). Through this centre, nearly 80 students had obtained the Master of Engineering in Systems Engineering conferred by RMIT by the end of 2002. In addition, RMIT forged links with other institutions to train executive staff for Ford Vietnam, Telstra, BHP, Vietnam Post and Telecommunications, Petro Vietnam, Bank of Investment and Development of Vietnam, and several other business and commercial clients based in Vietnam.

A visibly active university in Vietnam, RMIT was invited in May 1996 to consider establishing an RMIT International University in Vietnam. A month later, RMIT submitted its application to MOET. In January 1998, RMIT received in-principle approval, allowing it to explore options to establish and operate an international university. RMIT began by seeking a suitable site, conducting feasibility studies, drafting a business plan and preparing engineering reports in order to formally lodge an application for an investment license to establish the RMIT International University Vietnam. RMIT's costs in relation to market research and feasibility studies were estimated at A $2.8 million.

After nearly 18 months of preparation, RMIT submitted its application in August 1999. Eight months later, on 20 April 2000, it received its Investment Licence from the Ministry of Planning and Investment (MPI) to establish and operate the first international university in Vietnam. Government decrees no. 06/2000/ND-CP (*Foreign Direct Investment in Health Care, Education and Training, and Scientific Research*) of March 2000 endorsed the development. According to this licence, the RMIT International University was allowed to operate in Vietnam under the *Law on Foreign Investment in Vietnam* for a 50-year term.

RMIT Vietnam commenced operations in HCMC in January 2001, with Michael Mann (former Australian Ambassador to Vietnam) as its CEO. The choice of HCMC proved particularly apt – a city of some 7 million inhabitants, accounting for 18.4 per cent of national GDP, and with a GDP growth of 11.6 percent in 2004. Foreign investment increased by some 40 per cent in 2004, with Hong Kong being the largest investor. Services such as banking and tourism were expected to reach 50 per cent of the local economy in 2005, HCMC leaders already give industry a back seat to the services sector (SCMP, 2005a).

Courses at RMIT in HCMC are generally the same as those offered in Melbourne, but delivery and support structures differ, necessitating extensive use of ICT and good connectivity with the core campus in Melbourne. Programmes offered

embrace intensive English language classes, university preparation programmes, undergraduate degrees in three bachelor's programmes in information technology disciplines and in commerce, master's programmes in systems engineering, education, architecture and information technology, and postgraduate degrees by research. RMIT's cross-sectoral profile, which saw its Melbourne campus offer both traditional higher education programmes as well as vocational courses, meant that the HCMC campus was well placed to offer industry training and short courses, as well as higher education programmes. The medium of study in all cases is English. A new site in the southern part of HCMC, of some 60 ha, is located in a designated development zone and plans to have 10,000 students enrolled by 2012. Industry links are a key component of the planning. A series of institutes in fields such as environmental studies, information technology, biotechnology and food, urban planning and infrastructure, business management and finance, and product innovation and manufacturing design are planned. A core element of the development plan is that "each area would work with, and attract funds from corporate, government, non-governmental and philanthropic sponsors" (Wilmoth, 2004). Current enrolments total some 3,000.

As with other Australian branch campuses in SE Asia (such as Monash Malaysia), but more explicitly in the case of Vietnam, the intention is to use the branch campus to promote local university reform. IT is considered a key means to overcome several of the key weaknesses in Vietnamese HEIs, such as poor library facilities, lack of infrastructure and scarce financial resources. *Atlantic Philanthropies* provided funds to enable learning resources to be developed in selected Vietnamese campuses, such as Hue, Can Tho, Thai Nguyen and Da Nang.

RMIT Vietnam differs from other branch campuses in the region in several ways, including its financial planning and structures, which were underpinned by key loans, each of A $13.5 million, from the Asian Development Bank (ADB) and the International Finance Corporation (IFC). In addition, a key gift of US $18.9 million was received from the US philanthropic foundation, *Atlantic Philanthropies*.[7] A Debt Service Reserve Account Agreement was entered into by RMIT University, the Commonwealth Bank, the ADB and IFC, under the terms of which RMIT University could be required to deposit up to A $12.9 million in a Debt Service Reserve Account. The amount deposited was to be reduced by any amount contributed under the terms of the Financial Support Agreement. In relation to the loans, the associated agreements limited RMIT University's liability to A $12.9 million in the event of project failure (Auditor General, 2002). It was not expected that the venture would begin being profitable before 2007, nor that dividends would be paid to RMIT before 2011. Although start-up debt and equity injections were estimated to total A $30.4 million, the majority of this amount was financed by the *Atlantic Philanthropies* donation.

The Vietnam branch campus of RMIT can be seen as part of a wider strategy of internationalisation by its originating Australian university, which is known for

[7] At the time, this was valued at A $27.6 million.

being a highly internationalised institution, within a national system (Australia) that itself is acknowledged worldwide for the extent of its internationalisation (Welch and Denman, 1997; Shinn, Welch and Bagnall, 1999; Welch, 2002, 2004). RMIT Vietnam sought to extend training opportunities, not merely to local students, but also to students from neighbouring countries, as well as to use the branch campus to extend international options available to students of their Australian campuses.

Other International Alliances

Another form of internationalisation is twinning, such as has existed for almost a decade between two Vietnamese universities, Ha Noi Economics and Ho Chi Minh Economics Universities, and the Institute of Social Studies in The Hague, Netherlands. Founded as a donor programme in 1994, the 2-year course graduates some 60 students each year, using Dutch, Vietnamese and other international teaching staff. An amount of 6 million guilders (about US $3m) was shared by each of the two Vietnamese campuses from 1998, but as aid and teaching support from Holland has gradually been phased out, the course, taught entirely in English, has moved from full-time to part time, to cater for local employed Vietnamese students as well as for others who may be on mission for an agency in Vietnam, or employed in Vietnam on a commercial contract.

A further long-standing programme sprang from an initial agreement between the Open University of HCMC and the Solvay Business School of the Free University of Brussels to establish a Masters in General Management. This partnership was subsequently extended to a further partnership with the National Economics University, Ha Noi (VN News, 2007a; Solvay, 2007). The Masters degree is recognised by both the Vietnam Ministry of Education and Training (MOET) and the Free University of Brussels. The latter's Solvay Business School has, since 2005, held the highly regarded European Foundation for Management Development (EFMD) Equis accreditation or quality certification for business schools.

The Vietnam–Belgium Masters programmes in Ha Noi and HCMC were each aimed at meeting the growing demand for closer links between international and domestic companies and have now trained more than 500 business people and managers. Courses include a Masters in General Management, in Public Economics and Management, in Enterprise Management and in Information Systems, together with a Masters in Business Management.

The programme illustrates the twin aims of such partnerships (internationalisation and improved quality). According to its Vietnamese staff: "It is an opportunity for Vietnamese trainees to obtain an international standard graduate education in Vietnam at a reasonable cost" (VN News, 2007b). Belgian professors, nearly all of whom have substantial experience in European public management, provide the lectures. According to its Belgian Director: "The aim is to ensure tight integration between theory and practice, resulting in students being ready for work as soon as they graduate" (VN News, 2007c). More recently a Masters in Business and Marketing Management has been introduced at the Open University of

HCMC, while there are also other programmes including those with US universities (Varghese, 2007).

Not all partnerships have proved to be so enduring or positive. A less successful venture was that between Ha Noi Economics and the UK Henley Management Centre. At one time, some five classes, with a total enrolment of about one hundred, existed in Vietnam, including in Sai Gon, but the original fee of US $15,000 was found to be too high. A subsequent reduction in the fee to US $13,500 did little to remedy the situation. Staff at Ha Noi Economics School of Business also felt that there was insufficient support by the UK institution. The arrangement has been terminated. It has been replaced by a cooperative venture with Swinburne University (from Australia), which has been much more ready to provide substantial support.

Websites of overseas institutions are becoming more important in recruiting Vietnamese students. The British Council launched a bilingual education website in 2002 to inform students interested in studying in the United Kingdom (Viet Nam News, 2002). This is only part of the growth of interest by external countries in Vietnam. Other signs of the interest are that the German Academic Exchange Service (DAAD) has recently established an office in Ha Noi, as has the University of East Anglia (HERA, 2005: 77).

Role of Vietnam's Diaspora

There is an increasing recognition of the role that overseas Vietnamese (*Viet Khieu*) can play in promoting further development, including in education. There are at least two major influences – remittances, some of which are used for educational purposes, and the direct investment of skills and expertise in the development of higher education. The latter issue is still rather sensitive in Vietnam and is part of a wider issue of how Vietnam deals with its substantial diaspora (now calculated at around 2.7 million worldwide, and of whom a significant number are categorised as highly skilled). The sensitivity arises because (rather like Cuba) significant sections of the Vietnamese diaspora remain stringently opposed to the current government. The depth of concern about ideological pollution from such returnees was strikingly brought home to the author in 2005 while teaching a short course to young officials from various ministries in Ha Noi as part of Vietnam's preparation for joining WTO. Discussion of the potential of *Viet Khieu* to assist development, and reverse long-standing brain-drain effects, prompted a spirited intervention from one of the more fluent English-speakers among the class: "Not just brain-drain! There is another term we should use. . . brainwash!"

Notwithstanding these difficulties, substantial foreign direct investment is occurring, and remittances from overseas Vietnamese have risen spectacularly:

> The overall inflow from *Viet Khieu* has doubled in recent years, rising to US $3.1 billion in 2003, and US $6 billion in 2006 – it 'now outstrips the amount Vietnam receives in either foreign aid or international investment.' (New York Times, 2006; see also SCMP, 2005b, Özden and Schiff, 2006; Welch, 2007)

While evidence is less than systematic, and while overly optimistic accounts of the educational effects of remittances need to be treated with caution (Kuznetsov, 2007), it is clear that some of this money supports higher education participation. The government now recognises that overseas Vietnamese have a significant role to play in supporting the further development of human resource capacity in Vietnam by means of consultancies as visiting lecturers and curriculum advisors, and by acting as "focal points for the collaboration with the strong higher education institutions and industrial complexes in the world" (HERA, 205: 77).

Conclusion

It is impossible to understand the development of higher learning in Vietnam without including consideration of the effects of long-standing foreign influences – from the earliest Confucian elements imported from China, to the introduction of Western institutional models and Romanised script under French colonialism, to Soviet ideologies and institutional models from Russia post 1945, and now to the increasing partnerships with the West, particularly Europe and Australia. China's earlier and more robust development in the direction of a socialist market economy, including the introduction of People's universities (*Minban*), has also proved influential in Vietnam, which has introduced parallel institutions that are set to expand significantly over the coming years.

What does the future hold? A vigorously growing economy, albeit with a significant risk of inflation (Australian, 2008), together with the traditional respect for learning in Vietnam, will continue to mean that families will sacrifice a good deal in order to provide their children with access to the best possible university education, whether at home or, increasingly, abroad. In addition, the government's conviction that higher education is a pillar of the twenty-first century knowledge economy, and a key site for producing the highly skilled personnel that will be needed to promote Vietnam's further development, means the future for Vietnamese higher education is certain to be one of quantitative growth and development. This future will include foreign ventures and partnerships. Vietnam's WTO commitment is commendably broad, compared with many other nations, and it encourages foreign investment in higher education, including full-foreign ownership. These developments will require quality control by MOET, which will be no small undertaking in an era of cyber-universities and diploma mills, some of which market aggressively in the SE Asian region. Nonetheless, as Vietnam becomes increasingly integrated into the international community, including, for example, through its recent accession to membership of the UN Security Council, the prospects for developing more international partnerships with universities from Australia, Europe and North America can only be enhanced. Internationalisation will also grow by means of increased international enrolments at Vietnamese universities: total international enrolments between 1998 and 2003 reached 3,400, from a total of 30 countries, including 12 that had signed agreements for the purpose with

Vietnam (HERA, 2005: 75). It is recognised that increasing the number of programmes available in English, and perhaps one or two other languages, will increase the attractiveness of higher education institutions in Vietnam to international students.

Vietnam's accession to membership of the Association of South East Asian Nations (ASEAN) in 1995, and to the Asia Pacific Economic Cooperation (APEC) in 1998,[8] is infusing a regional flavour to its educational partnerships, as is its modelling of Chinese developments in higher education. At the same time, the United Kingdom is offering doctoral training for some Vietnamese staff and assistance in establishing quality assurance organisations for Vietnamese universities (Viet Nam News, 2007b). The influence of Vietnam's substantial diaspora, the *Viet Khieu*, in terms of investment, remittances and skills, is also set to grow.

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[8] The annual meeting of APEC was successfully hosted by Vietnam in Ha Noi in 2006.

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Chapter 15
Private Higher Education in Vietnam

Martin Hayden and Dao Van Khanh

Introduction

Private higher education in Vietnam is poised for a significant expansion over coming years. Many questions remain unanswered, though, concerning how the expansion will be regulated and funded. In the Higher Education Reform Agenda (HERA),[1] the government made a commitment to expanding the sector so that, by 2020, it will enrol as many as 40 per cent of all higher education students. Given that the sector currently enrols about 13 per cent of all students, this target is obviously very ambitious.[2]

This chapter seeks to provide an introduction to Vietnam's private higher education sector. It is informed by interviews in Hanoi, Ho Chi Minh City and Da Nang with rectors and leading members of the governing boards of various private universities. The chapter is also informed by several recent scholarly works (Le, 2006; Welch, 2007), and by statistics and other factual material reported by The World Bank (2008) and in recent Vietnamese newspapers.

The Private Sector

The private sector of higher education in Vietnam is officially referred to as the "non-public" sector, to distinguish it from the much larger and better-established "public", sector. Its distinguishing characteristic is that it receives no direct funding from the state. It is comprised of two types of higher education institution: *people-funded* and *fully private* institutions. From 1993 until 2005, there

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[1] Resolution no. 14/2005/NQ-CP, dated 2 November 2005.

[2] More recently (*VietNamNet Bridge*, dated 13 November 2006), Deputy Minister Banh Tien Long is reported as saying that the target is unfeasible and has been reduced to "between 30 and 40 per cent".

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was a third type of higher education institution in the sector, that is, *semi-public* institutions.

The first non-public higher education institutions were officially established in 1993.[3] During the years immediately following their establishment, there was a surge in growth in the sector. By 1999–2000, there were as many as 17 non-public universities and 5 non-public colleges, with a total enrolment of 107,528 students, accounting for over 12 per cent of all higher education students.[4] The sector became more tightly regulated during the late 1990s. Though it continued to expand, it was not permitted to expand at as faster rate than the public sector. By 2006–2007, there were 30 non-public universities and 17 non-public colleges, with a total enrolment of 193,471 students, accounting for 12.6 per cent of all higher education students.

People-founded (*dan lap*) universities and colleges form by far the major component of the non-public sector.[5] The first of these institutions was officially established in 1993.[6] The term, people-founded, derives from the fact that these institutions are peoples' organisations, founded by community groups such as trade unions, professional associations, youth organisations and women's associations. The groups proposing them must first be able to find the investment capital to provide the physical infrastructure for the institution.[7] They must then obtain approval by the prime minister, acting on the advice from the Ministry of Education and Training (MOET). In deciding to give approval to the establishment of a people-founded university or college, the prime minister must consider the proposing organisation's commitment to higher education, its financial capacity, its plan for the institution's development and the institution's proposed governance structure. Once established, people-founded institutions must be able to survive on the basis of revenue received from student tuition fees, though they may also receive revenue from gifts and investments and from the sale of certain educational services. People-founded institutions are not entitled to receive any direct funding from the state.

Fully private (*tu thuc*) universities and colleges are a more recent element in the non-public higher education sector in Vietnam. The first of these was the Royal Melbourne Institute of Technology-Vietnam (RMIT), which was officially established in Ho Chi Minh City in 2001. RMIT was not initially regarded as a

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[3]Private higher education institutions existed in the South of Vietnam prior to reunification in 1975, but it was not until the late 1980s that any official consideration was given to the possibility of their existence in the Socialist Republic of Vietnam.

[4]See http://www.moet.gov.vn/?page=11.5&view=9266

[5]The proportion is possibly as high as 95 per cent. Recent enrolment data that would enable an accurate estimate are not available.

[6]Thang Long University, in Hanoi, was officially established in 1993. As reported later in this chapter, it had been in operation as a Learning Centre from 1988 and had been approved to grant degrees from 1990.

[7]Though the state is not obliged to provide any assistance with capital resources, there is a good deal of evidence to indicate that grants of land from local governments have been critical to the establishment of many people-founded universities and colleges.

private university. Its status was that of a foreign direct investment firm, and its operations were required to comply with the Law on Foreign Investment. It was not until 2005 that a Prime Ministerial decision brought it and other, mainly foreign-based, fully private higher education institutions under a common set of regulatory controls.[8] Since then, various other fully private higher education institutions have been permitted to establish. While some have been foreign-based, a recent trend has been for former public-sector institutions to convert to fully private status. In 2006, for example, the prime minister gave 19 public-sector higher education institutions permission to become fully private.[9] The reasons for this trend relate to the government's policy of "socialising" (that is, allowing private expenditure on) the delivery of higher education in Vietnam, thereby encouraging a sharing of responsibility with the private sector for the expansion of the higher education system.

Semi-public (*ban cong*) universities and colleges were an element in the non-public sector from 1993 until 2005. These institutions were established by the state but were financially reliant for their ongoing viability on the receipt of revenue from student tuition fees and from the sale of certain educational services.[10] The first of these institutions was the Open University in Ho Chi Minh City, which was established in 1993 to provide open access to higher education programmes, including access by means of distance education. By 2005, semi-public higher education institutions accounted for 3 per cent of all higher education students. In 2005, the government, having regard to issues related to academic standards and the ongoing financial viability of these institutions, determined that semi-public (and some public) higher education institutions should become fully private.[11] As of 2005, therefore, semi-public higher education institutions were no longer considered officially to exist, though, in practice, some of these institutions continued to operate on a semi-public basis while making the transition to their new status.

Development of the Sector

It was not until the late 1980s that some interest in restoring a private sector of higher education in Vietnam was rekindled, but on an experimental basis, and strictly on a not-for-profit basis. The context for this interest was the grave financial state of the higher education system and the realisation that one of the ways in which bottlenecks in social demand for higher education qualifications could be relieved was by allowing students to pay tuition fees for their studies. The most durable of the experimental initiatives from this period was the founding in 1988 of the Thang Long Tertiary Education Centre in Hanoi. This centre was a community initiative, intended to operate on a not-for-profit basis, offering programmes in mathematics

[8] Decision 14/2005/QD-TTg, dated 17 January 2005.

[9] See http://english.vietnamnet.vn/education/2006/06/576783

[10] Decree no. 90/CP, dated 24 November 1993. The characteristics of these institutions were further clarified in a ministerial decision, Decision 04/QD-TCCB, dated 3 January 1994.

[11] Resolution 14/ND-CP-2005, dated 2 November 2005.

and computer science to fee-paying students. In 1990, the centre was given official permission to provide degree-level awards. In 1993, as part of a wide-ranging reform package intended to restructure the higher education system in light of the policy of *doi moi* (economic renovation),[12] it was given official recognition as a people-founded university.

Other people-founded universities and colleges soon also began to be established. By the late 1990s, there were (as noted earlier) 23 people-founded universities and colleges, enrolling over 12 per cent of all higher education students. In the haste associated with this expansion, some of these institutions took shortcuts in seeking to attract income and remain financially viable. Some, for example, enrolled far more students than they had authority to enrol under quotas given to them by MOET; some enrolled students with dubious academic potential for higher education study; and some admitted more students than their physical facilities were capable of carrying, giving rise to overcrowding (Welch, 2007: 47). There was also a tendency for them to concentrate on the delivery of training programmes in fields of study characterised by low initial investment but high financial return, such as in the fields of business, economics, information technologies and foreign languages. This short-term focus on profitability earned people-founded universities and colleges a reputation for being "garbage-can" institutions, in the sense that they were seen to be sweeping up any scraps of opportunity left over by public-sector institutions. This reputation has stayed with them up to the present day.

Concerned by the fact that many non-public institutions appeared to have slipped out of control, and stung by criticisms of a lack of vigilance in protecting standards of quality, MOET intervened decisively during the late 1990s. It introduced a series of regulatory controls that had the effect of containing the rate of growth of the sector. Penalties for over-enrolment were sharply increased; enrolment quotas were not allowed to increase as rapidly as had been the case beforehand; and regulations relating to the establishment and registration of people-founded higher education institutions were tightened. The matter of their academic quality was also addressed. In 2004, for example, MOET determined that students with a final score below a certain level in the Tertiary Entrance Examination would not be permitted to proceed to a university, whether in the public or the non-public sectors. The impact of this decision was felt quite sharply by the non-public sector. Between 2003 and 2004 and 2004 and 2005, there was, as a consequence, a significant drop in the enrolment quota for the non-public sector (Le, 2006: 80).

Characteristics of the Sector

Consistent with the Prime Ministerial "Charter for Higher Education Institutions" issued in 1993,[13] all non-public higher education institutions are required to have a governing board comprised of at least seven members, including the rector,

[12] Decree no. 90/CP, dated 24 November 1993.

[13] Decision 153/2003/QD-TTg, dated 30 July 2003.

representatives of the investors, representatives of the academic and administrative staff and representatives of the institutional Party Committee (Le, 2006: 121). The governing board has responsibilities that include development of a strategic plan, review of the academic plan, control of the finances and implementation of MOET regulations. The governing board also develops proposals to MOET for the appointment or reappointment of rectors. The rector is responsible to the governing board for the overall management of the institution.

Governing boards of non-public higher education institutions are entirely responsible for raising sufficient revenue to ensure the institution's financial viability. In this regard, student tuition fees are by far the most important source of revenue. Survey results suggest that they account for over 82 per cent of the revenue of all institutions in the non-public sector (The World Bank, 2008: Fig. 3.16).[14] Additional sources of revenue include income from the sale of services, capital from investors and gifts from individuals. The state provides no direct financial support,[15] and student tuition fees are capped at about twice the level of the student tuition fees charged by public-sector higher education institutions. The issue of the size of the tuition fees charged by some non-public higher education institutions has recently attracted public concern. Against a background of increasing price inflation, and in light of the need to fund improvements in teaching quality across the higher education system, all higher education institutions in Vietnam are likely from 2009 onwards to be able to increase their tuition fees and to charge different levels of tuition fees for different training programmes.[16] Some non-public higher education institutions, especially the fully private institutions, appear also to have been permitted to make significant increases to their tuition-fee levels, giving rise to concerns about the extent of profit-making by these institutions within a national higher education system generally assumed to function on the basis of a socialist-market orientation.[17]

Governing boards of non-public higher education institutions are also responsible for deciding how to spend the revenue available to them, though regulatory controls and compliance requirements imposed by MOET and the Ministry of Finance (MOF) place some significant limits on their decisions in this regard. People-founded institutions are widely considered to be "fee charging providers of social services" (quoted in Le, 2006: 148), and so are held to be subject to the same strict levels of spending scrutiny as apply to all but the two national universities in the public sector of higher education.

Non-public higher education institutions are permitted to make operating surpluses, but the disbursement of these surpluses remains a sensitive matter. As

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[14] Anecdotal information suggests, however, that this figure may be an underestimate.

[15] This matter is complex, however. Since 2005, the government has supported the granting of land entitlements to non-public higher education institutions that are "not-for-profit". These grants are mainly the responsibility of local governmental authorities.

[16] See http://vietnamnet.vn/giaoduc/2008/10/806890/ and VietNamNetBridge, "School tuition fee system revamped", http://english.vietnamnet.vn/education/2008/10/807128, 6 October 2008.

[17] See http://www.tuoitre.com.vn/Tianyon/Index.aspx?ArticleID=218901&ChannelID=13. See also, VietNamNetBridge, "Students stress over university fee hikes", 6 September 2008.

originally conceived, people-founded institutions were expected to operate on a not-for-profit basis. Over time, it has become accepted that investors in non-public higher education institutions, whether people-founded or fully private, should obtain some reasonable return on their investments. Written into the Education Law of 2005, for example, is the provision that, after meeting their financial liabilities, paying taxes and adding to the institution's investment fund, the balance of the income of non-public higher education institutions may be "divided among stakeholders according to their capital contribution".[18] An ongoing problem, though, is that there has been no official definition concerning what comprises a reasonable rate of return for these investors. This matter remains one where official tolerance must be tested from time to time in order to establish safe limits. In 2005, the Cabinet introduced a new classification scheme for non-public higher education institutions whereby they could be recognised as being either for-profit or not-for-profit, and it committed the state to supporting not-for-profit institutions through the provision of generous tax exemptions and land grants.[19] Details about the implementation and effects of this policy have not yet been systematically investigated.

Non-public higher education institutions also have strict enrolment quotas imposed on them on a programme-by-programme basis, and they may offer training programmes in certain fields (typically business, management and information technologies) and at undergraduate levels only. They are, therefore, operationally restricted in terms of their ability to respond to market demand. All the same, there are ample market opportunities for them in the fields of study that have been their traditional focus.

Not surprisingly, in view of quota constraints and the cap on the level of the tuition fees they may charge, non-public higher education institutions are extremely cost-conscious. In 2002, their unit cost levels were estimated to be 83 per cent of those of public-sector higher education institutions (Le, 2006: 110). They are much less likely than public-sector higher education institutions to employ permanent staff, a strategy made possible by the fact that there is a ready supply of permanent academic staff from public-sector institutions, together with retired academic staff, who are willing to teach part-time in the non-public sector. Concerns have been expressed about this strategy, however. The Minister for Education, for example, is quoted in this context as saying disapprovingly in 2007 that: "I can't imagine that some universities have only 50 full-time teachers."[20]

Another aspect of their cost-consciousness is that their physical infrastructure is usually low-cost, to the point in some instances of being inadequate to meet the needs of the number of students enrolled. Recently there is evidence of reinvestment in their capital infrastructure, often associated with new campus development on sites likely to appreciate considerably over coming years in terms of land value.[21]

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[18] Article 66, Education Law, National Assembly, Law no. 38/2005/QH11, 14 June 2005.

[19] Resolution no. 05/2005/NQ-CP, dated 18 April 2005.

[20] VietNamNetBridge, "Non-public universities and colleges – a mess", 21 February 2007.

[21] It is fair to say that there is some general cynicism about the motives of the non-public sector in its efforts to develop new campuses. A view expressed in many informed circles is that the investors

There is widespread agreement that the non-public higher education sector is lower in status than the public higher education sector (Le, 2006: 159). The first choice for students entering higher education is nearly always a public-sector institution. Tuition fees at public-sector institutions are about one-half those charged by non-public institutions; the range of training programmes available in the public sector is far greater than is the case in the non-public sector; there are no state-sponsored scholarships available to support attendance at non-public institutions; and, because the students who attend them are generally those with lower entrance examination scores who could not obtain admission to a public-sector institution, there is a widespread perception that non-public higher education institutions are inferior in terms of their academic quality.[22] This perception is undoubtedly reinforced by official policies: MOET stipulates, for example, that only graduates from public-sector institutions may proceed to postgraduate studies across a wide range of training areas; non-public higher education institutions are largely deprived of research funds; and, as reported earlier, non-public higher education institutions are not permitted to offer postgraduate qualifications.

The social profile of students attending non-public higher education institutions has not to date been systematically investigated. There is a widespread perception that these institutions are more likely to be providing for students from better-off backgrounds, on account of the higher costs associated with attending a non-public university or college. It is also plainly the case, however, that a significant proportion of students attending people-founded universities and colleges come from poorer regional areas with lower rates of higher education participation. In some instances, local communities have established a people-founded institution specifically to meet the needs of these students. There are also reports of fees and living costs being subsidised for students from poor backgrounds who attend a people-founded institution. Local businesses are also inclined to make scholarships available to assist some students from poorer backgrounds to attend one of these institutions. In this regard, official student loan programmes currently coordinated by the state seem to provide considerable support to the non-public sector. In 2008, the government's credit programme for poor students, whether they attended a public or a non-public higher education institution, provided loan funds to some 754,000 students.[23] It is not known, though, what proportion of these students came from the non-public sector.

The full-time academic staff of non-public higher education institutions compare unfavourably with their counterparts in the public sector in terms of research publication rates. While, by international standards, rates of research publication in Vietnam are low overall, in the non-public sector the rates are especially low – an average rate of one research publication per 100 academic staff in the non-public

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in some non-public higher education institutions are increasingly attracted by appreciating land values and less by any profits from student tuition fees.

[22] There are, of course, some notable exceptions, such as RMIT-Vietnam.

[23] See http://english.vietnamnet.vn/education/2008/08/799094/ (statistics for private sector are not available).

sector, compared with an average rate for the system as a whole of 39 publications per 100 academic staff (The World Bank, 2008: xiv). Teaching quality may possibly be better in the non-public sector, on account of the fact that non-public sector employers do not have to assure permanent employment to all employees. Students at non-public higher education institutions normally provide feedback on the quality of the teaching, and academic staff members who are poor teachers are generally not retained. In this regard, the non-public sector is not as constrained as the public sector in terms of the rigidity of employment contracts and conditions.

Legislative and Regulatory Environment

The legislative and regulatory environment of higher education in Vietnam is primarily focused on the public sector of higher education. Existing legislative and regulatory provisions are not well attuned to the existence of a non-public sector. In many regulatory documents, there is little more than passing mention of the non-public sector.

In the Education Law of 2005,[24] there is, however, explicit reference to the non-public sector, though, even in this document, interpretation of the provisions on the non-public sector is not always straightforward. Article 65 of the Law, for example, declares that qualifications from people-founded and private higher education institutions will be regarded by the atate as being equivalent in value to those awarded by public higher education institutions, but no process for assuring this equivalency is documented. While both groups of institutions must utilise MOET-approved curriculum frameworks, this form of quality assurance is input-oriented and would not generally be regarded as a secure basis for establishing comparability between outcomes. An additional consideration is that, while some progress is being made with quality assurance and accreditation procedures for the public sector of higher education, no comparable initiatives are evident in regard to the private sector.

Article 66 of the Law grants financial autonomy to people-founded and fully private higher education institutions, subject to their compliance with auditing and accounting regulations of the state. As indicated earlier, these institutions are also given the right to invest their own funds and to distribute profits to their stakeholders. This provision, which effectively creates a legal foundation for profit-making and profit-sharing from the provision of educational services, appears to be at odds with Article 3 of the Law, which states that "Vietnamese education is a socialist education", and with Article 20 of the Law, which states that "all acts of commercialisation of education are forbidden". The somewhat contradictory nature of these provisions is consistent with the difficulties Vietnam has in many areas of public policy in reconciling socialism with the market economy.

It is of note that Article 66 of the Law does not draw any distinction between for-profit and not-for-profit higher education institutions in the non-public sector. This distinction has become critical, however, in light of a Cabinet resolution in 2005 that

[24]Education Law, National Assembly, Law no. 38/2005/QH11, 14 June 2005.

committed the state to the provision of preferential support for non-public higher education institutions that are not-for-profit. Article 68 of the Law commits the state to extending preferential policies to people-founded and private higher education institutions ("priority treatment in the land use right, land leasing, support finance or facilities; credit and tax emption or reduction as prescribed by the Government"), but, until regulations establish how not-for-profit status is determined, this provision in the Law cannot possibly be implemented with any consistency of approach.

Article 104 of the Law encourages investment in education by proposing income-tax exemptions for contributions to and investment in education, including investment in building construction for educational purposes. Article 109 of the Law gives particular encouragement to foreign investment and expenditure: "Foreign organisations and individuals, international organisations, Vietnamese residents abroad are encouraged by the Vietnamese State which shall create conditions for them to teach, study, invest, fund, cooperate, apply scientific advances, transfer technology in education in Vietnam; they have their legitimate rights and interests protected according to Vietnamese law and the international conventions which the Socialist Republic of Vietnam has signed or acceded to." In a Prime Ministerial decision in 2005, however, strict new conditions were imposed on individuals and organisations seeking to establish private universities in Vietnam.[25] Only Vietnamese citizens or organisations are to be permitted to establish a private university; they must be able to invest at least US $950,000 in registered capital; the rector must have a PhD and at least 5 years of management experience; and, within 5 years, all lecturing staff must be permanent employees. The first of these conditions could possibly be a serious impediment to attracting foreign universities to establish campuses in Vietnam. The last of them would impose such a heavy cost burden on non-public higher education institutions as to make many of them financially unviable.

Strengths and Weaknesses of the Sector

Le (2006: 170–176) has identified various strengths and weaknesses of the non-public sector in Vietnam. One of the major strengths identified is that non-public higher education institutions contribute significantly to the government's "socialisation" policy, whereby private-sector resources are mobilised in support of the advancement of increased educational provision. Le (2006: 172) has calculated, for example, that, in 2004–2005, non-public higher education institutions had collected about US $35.5 million in fees (approximately US $255 per student). This amount was estimated to be equivalent to one-quarter of the total budget given to MOET to support student scholarships (for attendance at public-sector higher education institutions) and other forms of financial support for the public sector. In mobilising these resources, the non-public sector also helps to address the problem of excess social demand for places in universities and colleges, thereby alleviating some of the pressure on the public sector of higher education.

[25] Decision 14/2005/QD-TTg, approved on 17 January 2005.

One of the major weaknesses identified is that non-public higher education institutions are widely perceived to be inferior to public-sector institutions. Most students, for example, do not regard them as "first-choice" institutions. They are also prevented officially from accessing opportunities that would enhance their academic reputation, such as by being able to offer postgraduate qualifications. Their freedom in terms of curriculum reform, and in terms of being able to develop niche programmes of study, is effectively restricted by MOET's system-wide requirements regarding curriculum frameworks for all higher education training programmes. Le (2006: 144) characterises them generally as being "peripheral", in the sense that they provide for only a small proportion of all students, have quite small enrolments, teach only at the undergraduate level and provide mainly for students who would prefer to have attended a public-sector institution. Le notes also the management difficulties people-founded institutions have encountered as a consequence of not having a "supervising authority" in the same way as public-sector institutions do.[26] Though subject to MOET as their "state management authority", they do not have a particular ministry to refer to for guidance about regulatory requirements, and so must second-guess these requirements on the basis of what they see public-sector institutions being required to do. There are also reports of serious management problems at some non-public higher education institutions: "the boards of directors at many schools are constantly fighting, and the relationships between boards of directors and presidents are often 'tense'".[27]

Conclusion

There are a great many challenges facing the non-public sector of higher education in Vietnam. Important among these is the need to develop an official "vision statement" for the sector. To date, the sector has been allowed to develop and grow because of its strategic importance in soaking up excess student demand in areas of study not able to be provided for adequately by the public sector. It has also been important as a mechanism for attracting private resources into the provision of a better-educated and more qualified labour force in Vietnam. The sector is not, however, an equal partner with the public sector, regardless of the fact that the Education Law of 2005 states that qualifications from the two sectors are equivalent. The non-public sector is consistently addressed in much of the official regulatory and planning documentation as something of an afterthought. Even in HERA, which proposes an extremely ambitious expansion of the sector by 2020, there is no clear blueprint provided concerning how the sector is going to be enabled to expand.

Expansion of the sector is likely to be severely constrained if students attending non-public universities and colleges continue to remain cut off from any

[26] Though HERA has proposed abandonment of the arrangement, all public higher education institutions in Vietnam are currently under line-ministry supervision. MOET has the major share of this responsibility, and at least 12 other ministries also act in a supervisory capacity for individual public universities and colleges.

[27] VietNamNetBridge, "Non-public universities and colleges – a mess", 21 February 2007.

state-funded scholarship support. There are many indications that people-founded institutions provide higher education opportunities for young people from less-advantaged backgrounds who are highly motivated to succeed academically but whose educational opportunities have been limited because of their home circumstances. These are students whose extended families incur enormous financial strain to support them through their studies. Without scholarship support, and having regard to increased cost-pressures on the non-public sector, it is difficult to see how the sector will be able to attract even more students from disadvantaged backgrounds in order to achieve an enrolment rate of 40 per cent of all higher education students by 2020.

At the same time, though, the sector also needs more quality control. MOET is reported to have convened a conference early in 2007 on the state of non-public higher education sector. A news report, entitled "Non-public universities and colleges – a mess",[28] conveyed the prevailing sentiment. The report referred to inconsistencies in governance and management structures, disagreements within governing boards, friction between rectors and their governing boards, limited campus space, poor-quality libraries, inadequate provision of teaching and learning supports, insufficient numbers of full-time teaching staff, insufficient high-quality permanent teaching staff and serious deficiencies in physical infrastructure. This image of the sector, especially its people-founded institutions, is borne out by other reports documenting especially the chronic shortage of highly qualified full-time academic staff in many non-public institutions. These problems will get worse as the non-public sector faces increased pressure to expand. Indeed, the scale of the problems may eventually pose a serious threat to the quality standards of the entire higher education system.

Vietnam faces a significant challenge in relation to its private sector of higher education. If the sector is not provided with public financial support, it is unlikely to be able to maintain any competitive standing with the public higher education sector. If, however, it is given public financial support, then it becomes a subsidised system operating in competition with the public sector and under a different set of ownership arrangements.

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Author name Jonathan D. London was left out erroneously at the time of publication of this chapter. This is reinstated now.

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