

Building and Perfecting a Modern and Effective National Governance System in Vietnam

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Abstract: *National governance is a term first introduced by the Communist Party of Vietnam in the Document of the 13th Party National Congress and the Socio-Economic Development Strategy for the 2021-2030 period. Building and perfecting a modern and effective national governance system in Vietnam involves the process of creating and refining institutions and democratic coordination mechanisms among state actors, enterprises, the Vietnam Fatherland Front, and socio-political organizations, where the state plays the leading role based on law under the leadership of the Communist Party of Vietnam in designing, implementing, mobilizing policies and laws and utilizing national resources efficiently, managing development and social governance, ensuring the harmonization of rights and interests among stakeholders, maintaining stability, and promoting social progress towards the goal of a wealthy people, a strong nation, democracy, equity, and civilization.*

Keywords: *national governance, building and perfecting a national governance system.*

Based on strategic thinking and vision, in the orientation toward a comprehensive and synchronized improvement of institutions for the socialist-oriented market economy development, the 13th Party Congress stated: “To design and implement laws, strategies, schemes and plans aimed at raising the quality and effectiveness of national governance”⁽¹⁾. Regarding strategic breakthroughs, the Congress affirmed: “To concertedly complete institutions related to development, in the first place institutions for development of a socialist-oriented market economy. To innovate national governance toward modernity and effectiveness. To give focused priority to improving synchronously and qualitatively the system of laws, mechanisms and policies, and organizing their proper implementation, create an enabling, healthy and fair investment and business environment for all economic sectors, and promote innovation; to harness, manage and utilize efficiently all development resources, especially land and finances; and to step up rational and efficient decentralization and devolution of power, while enhancing scrutinization, supervision and control over power through the system of laws.”⁽²⁾. The 2021-

2030 10-year Socio-Economic Development Strategy sets forth the goal of “To innovate national governance toward modernity, especially in development and social management”⁽³⁾.

In Vietnam, the concept of national governance has historically existed but with a traditional perspective and approach centered on state administrative management responsibilities.

State administrative management meant that the State was the sole entity responsible for all governance and the provision of public services to citizens and businesses based on law and economic mechanisms. The State was actor that designed, implemented, and monitored, evaluated the enforcement of policies and laws. In this model, markets and citizens had limited roles and responsibilities in development and social management.

With the processes of renovation, international integration, and the development of a socialist-oriented market economy, combined with building a socialist law-governed State and socialist democracy, the traditional State management mindset gradually transitioned to State governance and then national governance.

State governance, as a form of societal governance, exercises State power to regulate social relations and human behavior through planning, organizing, leading, monitoring, and utilizing resources aligned with objective laws and the will of the governing entity. The goal of State governance is to maintain public order, serve public interests, and ensure national interests. It essentially involves executing and administering State authority. The key entities in State governance are legislative, executive, and judicial bodies, with the government being the primary executor. Legal principles and governance based on law are emphasized in this model. According to Professor Walker, Geoffrey de Q(uincey), the principle of the rule of law encompasses many meanings, referring to a strategy for governing the country and regulating society. It is reflected in the governance of both citizens and the government by the law⁽⁴⁾.

Due to diverse approaches, national governance is defined differently. According to the United Nations Development Programme (UNDP), national governance is associated with “the exercise of political, administrative, and economic authority to manage a nation’s affairs”⁽⁵⁾. The Asian Development Bank (ADB) defines it as “the manner in which power is exercised in the management of a country’s economic and social resources for development”. It refers to the quality of the institutions tasked with policy formulation, implementation, and ensuring effective, efficient, fair, and inclusive governance⁽⁶⁾. Meanwhile, the World Bank (WB) sees national governance as “the manner in which power

is exercised in the management of a country's economic and social resources for development"⁽⁷⁾. The WB's governance framework includes six dimensions: 1) voice and accountability, 2) political stability and absence of violence, 3) government effectiveness, 4) regulatory quality, 5) rule of law, and 6) control of corruption.

Scholar Nguyen Van Thoi defines national governance as "a method of managing society through institutions, rules, mechanisms, and processes based on democratic interaction and coordination among the state actors, businesses, and social organizations in the process of formulating, enacting, and enforcing laws and socio-economic policies, ensuring the rights and benefits of all actors while optimizing national resources. National governance encompasses four basic functions: planning, organizing, directing, and controlling"⁽⁸⁾.

A research project under the Ministry of Home Affairs namely "*The New National Context and the Demand for Building and Perfecting a Modern and Effective National Governance System*" emphasizes that "national governance is a process where the state and non-state actors collectively decide and implement strategies and goals to address national issues effectively. In other words, it involves national institutions and organizations setting governance objectives, making decisions, and implementing policies that meet practical needs, using appropriate tools and methods to maximize resources and achieve the highest effectiveness and value for the nation and its stakeholders"⁽⁹⁾.

From these varying perspectives, *national governance can be viewed as an institutional framework and democratic coordination mechanism among state actors, businesses, and social organizations in the policy and law-making process, mobilizing and utilizing national resources efficiently to manage development and social governance. This ensures the harmonization of rights and interests among stakeholders, maintaining stability, and fostering societal progress.*

From this perspective, *building and perfecting a modern and effective national governance system in Vietnam is a process of creating and refining institutions and democratic coordination mechanisms among state actors, businesses, the Vietnam Fatherland Front, and socio-political organizations. Here, the state plays a leading role based on law and under the leadership of the Communist Party of Vietnam in policy formulation, enforcement of laws, and the effective mobilization and use of national resources to manage development and social governance, ensuring the harmonization of stakeholder rights and interests, maintaining stability, and promoting societal progress for the goal of a wealthy people, a strong nation, democracy, equity, and civilization.*

The concept of national governance encompasses the following core components:

- 1) The essence of national governance: Institutional frameworks and democratic coordination mechanisms among stakeholders in policy and law-making and implementing processes, mobilizing resources effectively to achieve societal development goals.
- 2) Governance actors: The state, the market, and society.
- 3) The Purpose of national governance: Managing development and social governance, ensuring the harmonization of rights and interests among actors, maintaining political and social stability, and fostering societal progress.
- 4) Governance methodology: Democratic mechanisms to mobilize and use national resources effectively for development and social management.

Effective collaboration among actors in policy formulation and enforcement, along with the efficient mobilization of resources to achieve societal development and governance, is a decisive factor for a national governance system. A robust governance system transforms potential factors—land and natural resources, human capital, political and socio-economic institutions, infrastructure, and technological innovations—into national power that enhances competitiveness and global influence. It also identifies and addresses barriers that prevent these potential factors from becoming effective resources, thereby failing to enhance national competitiveness.

In national governance, the State remains the most critical actor. It provides diverse and comprehensive forecasts and information on national development, sets objectives, strategies, and plans, and establishes institutions and a fair, conducive business environment for all economic sectors. The State drives and oversees societal dynamics in line with objective laws while transferring some or all governance responsibilities to other societal stakeholders through mechanisms such as decentralization, delegation, and authorization, grounded in legal frameworks.

In the era of digitization and artificial intelligence (AI), alongside the strong development of market economies and international integration, the socio-economic life of non-state sectors area is undergoing profound changes. This has posed challenges to traditional state governance. The State alone cannot govern effectively; it must mobilize the participation of non-State sectors—markets and society. Society, in this context, plays a dual role as both a governance stakeholder and a provider of development resources, offering policy and legal feedback and collaborating with the State and market to address development and social governance issues.

In Vietnam, the leadership of the Communist Party is an objective necessity and a prerequisite for ensuring that national governance aligns with socialist orientations. This leadership guides national governance towards modernity and effectiveness, ensuring the achievement of the goals of prosperity, national strength, democracy, equity, and civilization. The Party provides a comprehensive direction for addressing governance issues, safeguarding national interests based on the principles of law, international legal standards, equality, cooperation, and mutual benefit.

In the context of rapidly evolving global, regional, and domestic conditions; the strong development of digitization and artificial intelligence; deeper international integration; and unpredictable climate change and natural disasters, every nation must develop a national governance system that can adapt quickly, make timely decisions, and execute them effectively. To build and perfect a modern, competitive, and effective national governance system in this new context, several key tasks and solutions need to be implemented:

First, raising awareness of the necessity of building and perfecting a modern and effective national governance.

Correct understanding paves the way for correct action. The 13th National Congress introduced the concept of “national governance” not as a trend, a movement, or merely a term aligned with the contemporary context, but as an establishment of a new mindset, a fresh perspective, a broader vision, and an innovative approach to serve the cause of building and safeguarding the nation. Therefore, “national governance” must be regarded as a foundational principle for the entire organization and operation of the political system, as well as a guiding framework for the awareness and actions of every citizen, enterprise, and other social actors.

A correct understanding of building and perfecting a modern and effective national governance system linked to development, management of development, and social management requires proper perception and thinking about the fundamental shift in the method of national management—from ruling to state administration and now to democratic law-governed national governance. In the ruling governance model, authority is concentrated in one person or a small group, and the primary method of governance is ruling. In the state administration model, the state is the sole entity directly responsible for all management activities and the provision of public services to citizens and businesses based on laws, mechanisms, and economic principles; the main method of management is administrative. In the national governance model, governance stakeholders include the

state, the market, and socio-political organizations; the primary tools of governance are policies and laws, and the governance method is democratic. In national governance, the law-governed principle is the central ideology in organizing and implementing development and social management. Other stakeholders involved in national governance must also comply with and uphold the law. In practice, stakeholders operate based on democratic principles, discipline, and legality, ensuring harmony between the rights and interests of stakeholders in alignment with national interests, maintaining stability, and promoting social development.

National governance is a human achievement in managing development and social governance. However, it does not have a universal model applicable to all nations. Each country must base its governance model on its specific historical conditions in politics, economics, society, culture, and traditions to build an optimal, suitable governance model that serves as both a driver and a lever for development. This model should ensure stability, sustainable growth, and better care for the material and spiritual well-being of its people.

Second, further building and perfecting the socialist law-governed State and economic, political and social foundations for national governance The concept of national governance and the process of building and perfecting the national governance system consistently affirm the central position and role of the State. Therefore, the continued construction and perfection of the socialist law-governed state is an objective necessity. The State must streamline its organization at the central and local government levels to ensure clarity in responsibilities, tasks, and authority. The civil service and public administration system should be reformed in line with the demands of a socialist-oriented market economy and the democratization of society. Simultaneously, efforts must focus on developing a team of officials and civil servants, particularly leaders, who possess firm political will, exemplary ethics, outstanding capabilities, and a readiness to think critically, speak openly, act decisively, accept responsibility, embrace innovation, and confront challenges. These leaders must act in the public interest, be highly reputable, and truly serve as pioneers and role models, fostering unity within their organizations. Mechanisms must be in place to select, train, attract, and value talented individuals, encouraging and protecting those who dare to think, act, innovate, and take responsibility for the common good. Additionally, there must be effective mechanisms to promptly screen and replace officials and civil servants who fail to fulfill their duties, violate laws, regulations, public ethics, or professional conduct, or who have lost the trust of the people.

The State must institutionalize the vision and development orientations of the Party into policies, laws, and plans, while perfecting development-oriented institutions to create a favorable, healthy, and equitable business and investment environment for all economic sectors. This involves promoting innovation, establishing a socialist-oriented market economy, and accelerating industrialization, modernization, and digital transformation to build the political and economic foundations for national governance.

The State must effectively mobilize, manage, and utilize all resources for development, especially land, finance, human capital, talent, science, and technology. It should enhance the responsibility and capacity of social organizations, businesses, communities, and individuals in contributing, critiquing and supervising the formulation and implementation of state policies and laws. The State should proactively establish public-private partnership mechanisms and delegate State responsibilities to the non-State sector to address development challenges that cannot be resolved solely by the State. This calls for collective efforts from businesses, socio-political organizations, individuals, and the entire nation, based on a reasonable and effective decentralization and delegation of authority while strengthening inspection, supervision, and power control through the legal system, thereby establishing the social and legal foundation for national governance.

Third, improving the quality of education, developing high-quality human resources, and attracting and utilizing talents without discrimination based on nationality, region, or age.

For Vietnam, national governance is a relatively new concept. To effectively operate the national governance system, the foremost requirement is a pool of high-quality human resources. Therefore, efforts must be concentrated on rapidly developing human resources, particularly high-quality personnel, by tightly integrating human resource development with the advancement and application of science and technology and fostering the digital and artificial intelligence revolutions.

To this end, it is essential to focus on improving education and training to enhance public knowledge, train skilled workers, and nurture talents. A significant shift is needed from an education system primarily focused on imparting knowledge to one that emphasizes the comprehensive development of learners' competencies and qualities. Education must combine theory with practice, align with the socio-economic development needs, national construction and defense, scientific and technological progress, and the digital and artificial intelligence revolutions.

Although Vietnam has no shortage of talent, the lack of a well-rounded, professional strategy for attracting and training talents during the period of renovation, integration, and national development has resulted in underutilization and even a “brain drain.” It is time to adopt a proper understanding of talent—individuals with virtue and expertise who produce creative work effectively applied in practice—and to establish a comprehensive strategy for training, attracting, and utilizing talent without regard to nationality, region, or age. Policies should be designed to attract scientists, technological experts, and international researchers to work at science and technology centers, directly involved in programs, projects, and technology transfer agreements. Moreover, creating a favorable working environment, offering competitive salaries, and implementing recognition and incentive policies are critical to effectively attracting domestic and international talent, serving the development of the nation and its governance system.

Fourth, completing the Strategy for Science and Technology Development and a National Governance Index for Vietnam in the context of the artificial intelligence revolution.

In the age of artificial intelligence, the Strategy for Science and Technology Development must be completed to align with global trends and Vietnam’s national conditions to meet the requirements of building and safeguarding the nation. This strategy must clearly define the role, position, and contribution of science, technology, and innovation to socio-economic development, national defense, security, and effective national governance.

The science and technology strategy should adapt to the era of artificial intelligence by fostering the development and application of scientific and technological advancements, building digital infrastructure, and ensuring cybersecurity that enables citizens and businesses to access digital resources safely and effectively. Only on such a basis can stakeholders fully utilize their capabilities, intelligence, and experience for effective national governance.

The development of science, technology, and innovation, along with the modernization and efficiency of national governance, must be closely linked to the timely establishment of a comprehensive National Governance Index for Vietnam. This index should integrate relevant international governance indicators adapted to Vietnam’s specific conditions, such as national competitiveness, business environment, and fiscal transparency⁽¹⁰⁾.

Measuring and evaluating governance effectiveness through recognized indicators allow governance stakeholders to identify the strengths, weaknesses, and outcomes of governance processes relative to established goals. This

provides a critical foundation for improving policy formulation, methodologies, and measures in national governance to achieve desired objectives.

The National Governance Index for Vietnam must include mechanisms to enhance public participation in policy making and law enforcement. It should ensure comprehensive adherence to the rule of law, uphold legal supremacy, and emphasize accountability among governance stakeholders involved in governance activities. Transparency, public accountability, and citizen satisfaction must be central to all governance activities of state agencies, local governments, and organizations operating within the public service sector. Ultimately, all national governance activities must meet the expectations and satisfaction levels of citizens and society at large.

Fifth, expanding international cooperation in science and technology and applying global scientific and technological advancements to national governance is crucial.

In the context of rapid advancements in digitization and artificial intelligence, which have profound impacts on all aspects of social life, international cooperation in science and technology has significantly contributed to the digitization of Vietnam's economy, politics, and society.

Through international collaboration, many groundbreaking scientific and technological solutions from leading scientific and technological powers have been transferred to Vietnam. Vietnamese scientists have absorbed, applied, and gradually mastered new scientific and technological knowledge, while also gaining opportunities to access the most advanced achievements in global national governance and effectively adapt and apply them.

In recent years, effective and practical international cooperation in science and technology has enabled Vietnam to positively absorb experiences, knowledge, and resources from advanced countries. This has contributed to innovative approaches in development and social management, narrowing the gap between Vietnam and the rest of the world in scientific and technological development. Furthermore, it has effectively supported the requirements of the digital and artificial intelligence revolution in promoting industrialization, modernization, national governance, and international integration./.

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(3) Communist Party of Vietnam (2021), *Documents of the 13th National Congress*, the Truth National Political Publishing House, Volume II, p. 81.

(4) Geoffrey de Q. Walker, “Rule of law and the democratic world order. Jurisprudence of Liberty,” excerpted from the book *Rule of Law*, edited by Suri Ratnapala and Gabriel A. Moens, Chatswood, N.S.W., Australia, 2011, pp. 83-92.

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(9) Ministry-level Research Project (2022), The New National Context and the Demand for Building and Perfecting a Modern and Effective National Governance System, Ministry of Home Affairs.

(10) The National Governance Index in the Fourth Industrial Revolution includes scientifically measured indicators reflecting the realities, trends, and impacts on the effectiveness of national governance compared to other nations in the context of international integration. Key components include: (1) The role and performance of the government; (2) National productivity growth in the Fourth Industrial Revolution as a crucial driver for long-term living standards improvement, including institutions, infrastructure, ICT (Information and Communication Technology) application, etc; (3) The nation’s soft power, demonstrating its position on the global stage, such as national credit ratings and branding; (4) Business environment with an innovative ecosystem, including innovation capacity and business dynamism; (5) Quality of People’s life indicators, such as income, healthcare, and education, as both the goal and outcome of national governance activities, directly reflecting government effectiveness as the main stakeholder in national governance. Nguyen Van Thanh, <https://www.quanlynhanuoc.vn/2022/04/05/ve-bo-chi-so-quan-tri-quoc-gia-trong-giai-doan-cach-mang-cong-nghiep-4-0/>.