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The good governance agenda and public administration reforms: an institutional political analysis: the case of the commune level one-stop-shop program in Vietnam

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**UNIVERSITÉ
DE GENÈVE**

**FACULTÉ DES SCIENCES
ÉCONOMIQUES ET SOCIALES**

**THE GOOD GOVERNANCE AGENDA AND PUBLIC
ADMINISTRATION REFORMS: AN INSTITUTIONAL POLITICAL
ANALYSIS. THE CASE OF THE COMMUNE LEVEL ONE-STOP-
SHOP PROGRAM IN VIETNAM.**

Thèse présentée à la Faculté des sciences économiques et sociales
de l'Université de Genève

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pour l'obtention du grade de
Docteur ès sciences économiques et sociales
mention : science politique

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La Faculté des sciences économiques et sociales, sur préavis du jury, a autorisé l'impression de la présente thèse, sans entendre, par là, n'émettre aucune opinion sur les propositions qui s'y trouvent énoncées et qui n'engagent que la responsabilité de leur auteur.

Genève, le 26 juin 2012

Le doyen

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Abbreviations

ADB	Asian Development Bank
CPV	Communist Party of Vietnam
DARD	Department of Agriculture and Rural Development
DoF	Department of Finance
DoHA	Department of Home Affairs
DPI	Department of Planning and Investment
GG	Good Governance
GRD	Grassroots Democracy Decrees
NA	National Assembly
MARD	Ministry of Agriculture and Rural Development
MoF	Ministry of Finance
MoHA	Ministry of Home Affairs
MPI	Ministry of Planning and Investment
OECD	Organisation for Economic Co-operation and Development
OSS	One-Stop-Shop
PA	Public administration
PAR	Public administration reforms
PASD	Public administration services delivery
PC	People's Committee
PCnl	People's Council
SDC	Swiss Agency for Development and Cooperation
UNDP	United Nations Development Program
UNPAN	United Nations Public Administration Network
VFF	Vietnamese Fatherland Front
WB	World Bank

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Résumé

L'environnement institutionnel et politique du Vietnam présente un système de gouvernance avec un parti unique. A partir des années 80, suite à la graduelle transformation de l'économie planifiée vers un système de production qui intègre des éléments propres à l'économie de marché, l'appareil bureaucratique vietnamien a été bouleversé suite à l'implosion des structures verticales de contrôle et de décision, empêchant ainsi à Hanoi d'exercer un pilotage et une surveillance efficace des activités politiques, économiques et administratives au niveau local.

Confrontés à une crise de légitimité politique dramatique, les autorités centrales et le parti ont ainsi lancé à partir des années 90 une série de réformes institutionnelles visant à reconquérir le contrôle de l'espace politique des différents échelons administratifs du pays.

Via l'analyse de l'économie politique associée à une réforme institutionnelle adoptée en 2004 par décision du gouvernement central, cette thèse explore les enjeux politiques liés à un projet visant à améliorer la provision des services publics à la population au niveau communal, suivant les principes de la bonne gouvernance.

Le projet étudié dans cette thèse comme cas d'étude vise à améliorer la performance des activités administratives et politiques, en vue de contribuer à l'instauration d'une administration publique opérant dans l'intérêt des citoyens, réduisant ainsi les dérives autoritaires des élus et fonctionnaires locaux.

Afin de déterminer le pouvoir relatif des acteurs, l'environnement institutionnel *de jure* et *de facto*, ainsi que le cadre administratif, organisationnel et légal du pays sont analysés. En parallèle, en vue de quantifier la capacité des acteurs à influencer la réforme institutionnelle en question, le positionnement stratégique de chaque acteur politique et administratif est évalué et pondéré.

L'analyse suggère que malgré la volonté politique des autorités centrales et du parti, le cadre institutionnel ne permet pas l'adoption de la réforme conformément aux directives des autorités centrales : les élus locaux, agissant dans un cadre institutionnel peu contraignant, réussissent à influencer les effets de la réforme pour servir leur propres intérêts stratégiques, limitant ainsi la portée réformiste du programme.

Abstract

Since the late 1980s, with the introduction of economic reform, Vietnam has gradually shifted from a planned, socialist model to a market oriented economy. This has brought about a fragmentation of vertical lines of authority, from Hanoi to the periphery of the political- and administrative system, where power groups linking middle level party members, economic elites, and local bureaucrats have increasingly succeeded in bypassing the hierarchical authority structure developed during the socialist period.

Such institutional fragmentation enabled an environment of state inefficiency, ineffectiveness, mismanagement, and red tape, where corruption flourished. Since the late 1990s, the party and the central government have launched a series of institutional reforms meant to reestablish vertical authority and regain control over the political- and administrative state machinery, with the objective of shoring up their political legitimacy vis-à-vis the citizens.

By adopting a political science approach grounded in rational choice institutionalism, this research aims to substantiate that politics plays a central role in explaining reform outcomes on the ground. Moreover, such analytical approach is also informative in explaining why public administration reforms are initiated and adopted (policy rationale), why some reforms are considered for adoption while others are not (policy choice), and finally, what the impacts of such policy outcomes are for their initiators (political power holders).

The case study used is a reform launched in 2004 and meant to enhance the transparency, efficiency, and effectiveness of public services delivery at commune level (i.e., Prime Minister Decision 181), and whose final objective is was to inject good governance principles in the management of local affairs.

In order to measure the relative institutional power of each stakeholder involved in the reform, the analysis focuses on the institutional-, administrative-, organizational-, and legal environments, as well as on policy, meant to provide each stakeholder with the opportunity, incentive, and constraint necessary to influence policy outcomes according to their strategic needs and interests.

The analysis suggests that the local institutional environment is relatively unsupportive of the reform; in fact, the power balance favors those actors that are against the proper implementation of the reform, i.e., local authorities, while central level government and the party, both of which are in favor of a proper implementation of the initiative, together with the citizens, do not have at their disposal sufficient institutional power to prevent local authorities from distorting policy outcome.

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PART I – INTRODUCTION

1. Background and introduction

Public administration performance is a major concern of any government in contemporary society. Public Administration (PA) is nowadays considered as playing a “vital role in the quest for peace, greater freedom, social equity and sustainable development” (Mekolo, 2003, p. 91).

While PA has become an issue of concern since the “advent of centralized administrations” (Hyden et al., 2003, p. 3) and the work of Weber, more recently there has been a general understanding that the quality of the bureaucracy plays a significant role in economic and social development (see, for instance, Blunt, 2002; Grindle & Thomas, 1991; Hirschmann, 1999; Kaufmann et al., 1999; Kohli, 2004; United Nations [UN], 2001; Wade, 2004, 2005).

In this respect, clear evidence points to the fact that in the 1990s PA also played a pivotal role in the economic *miracle* of the Asian Newly Industrialized Countries (Caiden, 1991; World Bank, 1993; Wade, 2004). Research and empirical data also indicate that weak economic and social development in Africa can be explained to some extent by state inefficiency and bureaucratic underperformance (Ayee, 2005; Hyden et al., 2003).

Since the “state came under attack” in the late 1980s (UN, 2000, p. 6), several approaches have impacted public sector reform practices all over the world, the most important among them being *New Public Management* (NPM) and *Good Governance* (Kumara & Handapangoda, 2008).

Despite its effective outcomes and ideological legacy, the *New Public Management* school of thought has influenced the whole concept of *reinventing government* (Osborne & Gaebler, 1992) in developed and developing countries since the late 1980s (Hood, 1991). A key objective of NPM has been to introduce in PAs those mechanisms, “performance incentives and disciplines that exist in a market environment” (Economic Commission for Africa, 2003, p.vii).

From the 1990s onward, with new demands placed on state administrations by progressively more challenging economic markets and demanding citizens, governments started to focus on a “second generation” of reforms (Heredia & Schnedier, 1998, p. 1). These later types of reform, that integrate some NPM principles, are termed as *good governance*. In general terms, good governance can be summarized as those institutional measures that support people’s participation in decision-making as regards policies and programs affecting their lives, public agencies operations and policy transparency, state administrations’ responsiveness to citizens’ demands, and the accountability of public agencies and political structures to citizens and policy stakeholders (UN, 2001).

Despite the fact that Public Administration Reforms (PAR) have existed for several years, in many countries reforms are little more than “political symbols and talk” (Jacobsen, 2005, p. 767). In addition, literature has largely documented that reforms assessments on the ground have shown deceptive outcomes and disappointing results (see, for instance, Boyne, 2003a, 2003b; Boyne et al.,

2003; Brinkerhoff & Brinkerhoff, 2002; Cheung, 2002; Lane, 2001); moreover, reform outcomes are highly uneven in comparative terms across countries, with some countries having much higher levels of success in implementing the reforms while others fail (see, for instance, Asian Development Bank [ADB], 2005a, 2005b; Caiden, 2001; Knill, 1999; Peters & Pierre, 2007; Peters & Savoie 1998; Pollit, 2001; Pollitt & Bouckaert, 2004; Schacter, 2000; United Nations Development Program [UNDP], 2004a, 2004b, 2004c, 2009a; World Bank [WB], 1997b, 1998, 1999, 2000, 2003) and across regions within the same country, with some localities obtaining better results than others (see, for example, Carlos 1999; Fritzen, 2000a, 2001, 2002, 2003, 2007).

So, how does one explain PAR's heterogeneous and deceptive results? The goal of this research is to attempt to answer this complex question by substantiating that politics is important in reform outcomes. Furthermore, the intention of this research is also to demonstrate that the political economy of reforms is useful not only to explain reform outcomes, but also to understand the rationale behind them, their characteristics (or content), as well as their effect on those that have initiated them.

2. Objectives of the research

This research has three main objectives. The first is to bring back political science to explain the rationale, the design, the outcomes, and the impacts of reforms in Vietnam. The second is to provide a context-based political analysis of the country, while the last is to identify key policy implications for reformers involved in designing and implementing initiatives meant to reform state institutions and public administration in transitional countries.

2.1 Bring back political science to explain reform rationale , design, outcomes, and impacts

Although political science literature dealing with PAR initiatives acknowledges that politics does matter in reform outcomes (see, for instance, Grindle, 2004; Grindle & Thomas, 1991; Hickey & Mohan, 2005; Hirschmann, 1999; Jacobsen, 2005, 2006; Larbi, 1999a; Oszlak, 2005; Santiso, 2001a), there is a general understanding that practices on the ground tend not to consider stakeholders' power relations as an explicit policy concern (Fritz et al., 2009).

As such, these approaches relatively downplay the political dimension of reforms, where politics is conceived as the antagonism between competing interest groups or individuals for power and resources (see, for instance, Migdal, 2001; Migdal et al., 1997; Oszlak, 2005). This has led to PAR generally being perceived as relating to technical matters, "like fixing a machine, and omits the political interaction with stakeholders which actually determines the course of events" (Turner & Hulme, 1997, p. 107). Moreover, this view partly overlooks the very nature of reforms, which is the struggle between stakeholders that have competing interests and are motivated by a permanent quest for legitimacy, status, and resources (Caiden, 1969; Oszlak, 2005).

As stated by Turner and Hulme (1997, p. 107), the normative definitions of PAR tend to "lack an appreciation of the politics of the reforms, thus making it difficult

to comprehend why reform initiatives are introduced, what measures they incorporate and why they may succeed or fail". Competing interests, in fact, play out throughout the whole policy cycle (Fritz et al., 2009; Grindle, 2004, pp. 8-17); they affect the rationale why a given issue comes to be considered as a matter of policy response, they affect the policy content and characteristics (i.e., stakeholders' power balance define the policy design), and finally, the implementation (to which extent results on the ground meet policy objective).

In such light, the broad objective of this research is to reintroduce a political perspective in the study of PAR and to substantiate that politics does play a central role in explaining reform outcomes on the ground (see, for instance, Fritz et al., 2009; Hickey, 2005). Furthermore, via an institutional analysis of reforms it is my intent to explain why PAR are initiated and adopted (policy rationale), why some reforms are considered for adoption while others are not (policy choice), and finally, what the impacts of such policy outcomes are for their initiators (political power holders).

2.2 Provide a context-based political analysis of Vietnam

While the broad objective of this research is to reintroduce a political science perspective in the study of PAR, its specific intent is to gain understanding of the political economy of state institution reforms in Vietnam, a transitional country that features a one-party system and that has seen, in the last twenty years, dramatic social and economic change.

In the last decade, local governance issues and state-society relationship related issues have increasingly attracted the attention of scholars and donors in Vietnam (see, for instance, Fforde, 2003; Fritzen, 2000a, 2001, 2002, 2003, 2006; Gironde et al., 2009; Hardy, 2001; Heng, 2001; Kerkvliet, 2001a, 2001b, 2004; Koh, 2001b, 2004a; Malesky, 2004; Marr, 2004; Minh, 2004; Painter, 2003a, 2003b, 2003c; Sikor, 2004; Thayer, 2002, 2008; Trang, 2004; UNDP, 2009a; Vasavakul, 1996, 1998, 1999, 2002, 2003; WB, 2004b, etc.).

Current interpretations of state-society relationships have been grouped by Kerkvliet (2001b) into three main interpretations: the "dominating state" (p. 241), that focuses on the idea that the Communist Party plays the dominant role in the political system and policy; the "mobilization authoritarianism" (p. 242) model, which emphasizes the role of organizations dominated by the state to mobilize support for "its programmes and policies, maintain channels of communication between authorities and each sector of society, and manage social and economic groups that otherwise might become unruly" (pp. 242-243); and finally, the "dialogue" model (p. 244), which acknowledges that central state and central CPV "powers are far more limited than rhetoric would suggest" (Shanks et al., 2004, p. 35) and where local forces succeed in adapting central level programs, policies and guidelines.

While elements of these three interpretations can be found in all areas observed, elements that shape the divide between state and society depending on when and where the study was conducted, as well as on what part of the Vietnamese state-society relation it focused, one interpretation tends to dominate. What this suggests is that there is still much scope for further scientific investigation on the topic.

This research aims to bring a contribution to the current debate concerning state-society relationships in Vietnam via an analysis of a good governance reform at commune level. The intent is to demonstrate that policy rationale, design, and outcomes need to be understood as the result of competitive forces that come into play in a given specific polity institutional context. But what forces are at stake in a good governance reform at commune level in Vietnam? Which stakeholders are involved to determine its outcomes? And finally, what can an analysis of these outcomes tell us about state-society relationships in Vietnam today?

My intent is to explain the outcomes of a local reform meant to promote good governance principles by adopting a political perspective expected to contribute to a complementary understanding of state-society relationship patterns in Vietnam.

2.3 Identify policy implications

The third objective of this research aims to contribute to the cumulative knowledge concerning good governance reforms in developing and transitional countries. After nearly a quarter of a century of *New Public Management* reforms, their results, impacts, and limits have been widely documented (see, for instance, Barzelay, 1992, 1999; Caiden, 2001; Larbi, 1999a, 1999b; Pollitt & Bouckaert, 2004); this is considerably less in the case of good governance programs, which have been advocated only in the last decade (Saetren, 2005).

As observed by Hilderbrand and Grindle (1994), while there is a general consensus that public administrations that operate effectively present some institutional characteristics - they are intelligent, responsive, flexible, accountable, and participative - it is equally important, as stressed by the scholars, to understand under which conditions such elements can be properly implemented and sustained in specific institutional contexts.

The third objective of this research is therefore to contribute to the advancement of the discussion on the definition of suitable analytical tools capable of better capturing the political economy of reforms so as to formulate context-based policies. In the last 30 years, Official Development Aid (ODA) allocated to good governance and PAR in developing countries has been estimated at billions of US dollars (WB, 1997b). In addition to ODA, a significant amount of domestic resources (financial and human) has been injected into PAR initiatives in developing and transitional countries. An improvement in the understanding of the political economy of reforms could provide domestic reformers and donors with key intelligence to enable them to allocate resources in a more effective and efficient manner.

3. Presentation of the case study: the One-Stop-Shop mechanism

While the reform analyzed in this research concerns the implementation of the PA services delivery mechanism (*One-Stop-Shop*) at commune, district, and

provincial levels¹, this research will focus only on the commune level. As mentioned, the intent is to gain an understanding of state-society relationships in present-day Vietnam, using as a window of observation the political economy associated with the implementation of the One-Stop-Shop program at commune level.

One-Stop-Shop (OSS) agencies are new administrative structures that interface, on one hand, local and foreign, and natural and corporate persons seeking administrative services, and on the other, bureaucratic Government agencies responsible for the delivery of these services (e.g., business registration, land administration affairs, construction services, notification, document authentication, etc.). The idea is “to put under one roof (or single door) the reception and the delivery of PA services previously provided by several local departments located in separate offices” (Swiss Agency for Development and Cooperatin [SDC], 2005, p. 14).

OSS objectives are, as stated in Prime Minister Decision 181 (PMD 181),

to create a substantial change in the relationships and problem-settling procedures between State administrative agencies and organizations as well as citizens, reduce troubles for organizations and citizens, combat red-tape, corruption and authoritarianism among State officials and employees, and raise the effectiveness and efficiency of the State management (PMD 181, art. 1).

Whether such substantial change has occurred or not, is measured by analyzing the extent to which the OSS program has succeeded in enhancing the responsiveness, transparency, and accountability of commune authorities in the realm of public administration services delivery vis-à-vis citizens' needs and expectations.

OSS agencies can be found in almost any PA domain. This includes everything from delivery to, and vocational training of, farmers, services provided to fishermen's cooperatives, the delivery of social services to the poor, business registration for private households and foreign investors, construction affairs, etc.

The implementation of OSS mechanisms is a top political concern for the Vietnamese leadership and is considered to be among the most important state reforms, as exemplified by the fact that during the press conference of Prime Minister Phan Van Khai that followed his first new year's cabinet meeting in January 2006, the implementation of OSS was reported as the first Governmental priority². Furthermore, since 2004, OSS has been among the fastest growing mechanisms in domestic administrative reforms, and several bilateral and multilateral donors provide support to the initiative, either through technical advice, financial and/or logistical support, and/or cadre and civil

¹ Vietnam comprises 64 provinces, over 640 districts and over 10'000 communes

² Viet Nam News, PM urges even faster reforms to produce business breakthrough, 29.1.2006

servant training programs.

4. Research questions

The fundamental challenge of this research is to bring political science back into the realm of PAR studies, and substantiate that good governance reform outcomes are inherently political.

Secondly, its objective is to attempt to explain results on the ground by shedding light on the relationship between the initiative's outcome and the overall institutional setting, using as the case study a reform in the domain of services delivery in Vietnam at commune level.

In order to perform such task, the analytical framework that guides the analysis of this research ambitions to provide an explanation of the following elements:

- Policy rationale: the political rationale of the OSS program;
- Policy choice: what type of reform the OSS program is about; why it has been designed as such;
- Policy results: how the Vietnamese institutional setting has come into play to explain reforms outcomes;
- Policy impacts: what the political consequences of such policy outcomes are for the current political regime.

4.1 PhD research questions

1. *Why have public administration reforms, and more particularly the OSS program, been adopted in Vietnam? What is the political rationale of the reforms?*

The corollary questions for Vietnam are: what is the political objective of the OSS program? Who initiated it? What are the expected results of such program?

The objective of this first set of questions is to identify the political rationale of such program by casting light on the political reasons why public administration services related issues have been considered by political leaders as a matter of policy response.

2. *What is the strategy adopted by the political leaders in order to reform public administration in Vietnam?*

The question deals with the strategy that has been chosen by the CPV to design PAR and more precisely the OSS policy choice (i.e., why has the reform at hand been designed as such?). It is also a matter of identifying how and why the political objectives of the reform determine the design of this program.

3. *Why does the OSS program perform as such? How can its outcomes on the ground be explained?*

The corollary questions for Vietnam are: how OSS stakeholders' power balance comes into play to explain OSS outcomes on the ground? Which stakeholders influence the program's outcomes? Which stakeholders have

sufficient power to alter the reform according to their interests, and why?

This question will be answered via the analysis of OSSPI explanatory variables, i.e., (i) the institutional set-up (*de jure*; *de facto*), (ii) the administrative, organizational, and legal environments, and (iii) the PMD181 policy design (i.e., characteristics)

4. *What are the political consequences (OSS program impacts) for the political initiators of such outcomes?*

The corollary questions for Vietnam are: to what extent does the failure to implement pro-good governance mechanisms have political consequences for the Communist Party of Vietnam (CPV)? What is the political price of such results? To what extent is the CPV strategy to reform public institutions sustainable in the long term? (i.e., to what extent can this trigger an unstoppable powerful engine of political change? What does this mean with respect to the current CPV political monopoly?)

These last questions concern the political consequences (impacts) of OSS program outcomes on the current political regime of Vietnam. This question will be answered using primary and secondary data.

5. Source of data

Sources of the data used in this research are of two kinds: primary and secondary data.

5.1 Primary data

Primary data are used in this research to assess the effectiveness of OSS initiative at commune level. They were collected during several field studies that took place in 2004, 2005, and 2006. The field visits in 2004 and 2005 lasted over 50 man-days and took place under the guidance of the Swiss Agency for Development and Cooperation (SDC – Hanoi), where I operated as an external consultant.

During the field studies, I was accompanied by two program officers operating for the SDC, the Director of the Department of Public Administration Reform at the Ministry of Home Affairs (MoHA), and one MoHA program officer.

5.1.1 Methodology for primary data collection

The data were collected through open and semi-structured interviews of the stakeholders involved in the implementation and operation of OSS at the central and local level, as well as of OSS customers and other constituencies. Given the diversity of interviewees, 5 semi-structured questionnaires were used to collect primary data (see annexes).

A first questionnaire (Questionnaire A) was used to interview the head of the commune (People's Committee Chairman) and the manager of the OSS. The semi-structured interview in general lasted between 90 and 150 minutes, depending on the willingness of the interviewees to share information. I conducted the interview with the help of the translator (a field officer with the SDC, in charge of the OSS project).

The second questionnaire (Questionnaire B) was used to collect information from the heads of sections and from functional officers. These are commune level officials that process clients' requests and applications. In each commune, there are 5 sections³; I was allowed to interview civil servants and/or heads of sections working in two sections (in general, the section in charge of land affairs and that in charge of home affairs, which is responsible, among other things, for issuing the notification and authentication of legal documents).

Data from OSS clients were gathered by the second SDC official directly at the venue or just outside the OSS (Questionnaire C). Depending on the sociability of clients, the interviews may have lasted between 15 and 60 minutes. Given that my stay in the commune lasted only one day, the clients interviewed were not necessarily a representative sample of the people living in the commune. In order to minimize the bias, we tried to balance equally the age of the interviewees, their gender, and the type of services that they requested.

Additional field study was carried out in June 2006 with a survey of over 200 citizens (Questionnaire D). The objective was to collect data on people's opinion regarding commune level OSS (i.e., their level of satisfaction, how they perceived the improvement in public administration service delivery, etc.); 180 questionnaires were handed out to participants of a continuing training program organized by the Economic University of Hanoi. The participants, who had an above-average level of education, came from diverse provinces of Vietnam, which provided interesting regional coverage.

In order to obtain a more representative pool of interviewees, 23 more questionnaires were given to staff working in diverse economic sectors (law cabinets, industrial parks, media and advertising, the garment industry, domestic services, etc.) in Hanoi, Hai Phong, and Ho Chi Minh City.

Semi-structured questionnaires (E) were used to collect data on commune level OSS from district-, provincial-, and central level state officials. In total, I conducted 7 interviews: 1 in Hanoi, with the head of the department in charge of relations with donors; 3 in the provinces (Dong Thap, Kien Giang, Ninh Binh); and 3 at district level (Kien Giang, Tra Vinh and Da Nang).

Since 2004, I have been visiting Vietnam at least once a year for professional reasons (short-term consulting missions and teaching activities); I have thus taken advantage of my stay to continually collect information about OSS. In this regard, over the years, several staff working with the Swiss Agency for Development and Cooperation have provided me with important information that has also been partially used in this research; likewise, with officials working for the World Bank (WB) and the United Nations Development Program (UNDP) in Hanoi.

International NGOs have also provided data, albeit more informally, that has contributed to deepening my understanding of the system of governance in Vietnam; in particular, Helvetas, a Swiss NGO directly involved in the implementation of an SDC project meant to enhance local governance at

³ They are in charge of: land administration affairs, social and labor services, construction affairs, domestic affairs and public security

commune level in the north of Vietnam. Among professionals, information has also been provided by two Vietnamese lawyers operating in Hanoi, who are in charge of applying to the OSS on behalf of their clients in order to set up business companies.

A great deal of inside knowledge on how the administration operates (mainly on the informal side) in Vietnam has come from recurrent discussions with the participants of a Master’s program (IMAS) organized in Hanoi since 2004 by The Graduate Institute, Geneva. Nearly half of the participants of the Masters are civil servants working in ministries or local administrations. Having had the opportunity to facilitate a number of workshops and then lecture in the Masters since 2006, I have been able to spend time with them to discuss public administration reforms, OSS, and the functioning of the party-state machinery in Vietnam. While I have not reported the information collected during these informal discussions, these data have helped me to better understand how public institutions operate in Vietnam.

Finally, in addition to the 18 commune level OSS whose data has been used in this research, I have also had the opportunity of assessing 10 OSS at district level (in 2004 and 2005, on behalf of the Ministry of Home Affairs while working as an external consultant for the Swiss Agency for Development and Cooperation) and 3 OSS at provincial level (in 2007, on behalf of the Ministry of Planning and Investment by mandate of the European Commission). While this research focuses on commune level alone, given that I wanted to have a homogeneous analytical unitary base, my knowledge of OSS operations in Vietnam contributed also to providing me with a much more precise picture of the functioning of state administration, at central and local level.

All the questionnaires were prepared in English and then translated into Vietnamese. Before getting to the field, Questionnaires C (OSS customers’ level of satisfaction), D (citizens’ appreciation of OSS quality), and E (district-, provincial-, and central level officials) were tested and corrected based on the assessment.

As for Questionnaires A (PC Chairman and OSS manager) and B (heads of services and civil servants in charge of processing clients’ requests), since I did not have the opportunity to assess their adequacy before conducting the first interview, they were adjusted after the first meetings.

Table 1: Interviewees for primary data collection

Central level	<ul style="list-style-type: none"> ▪ Ministry of Home Affairs (MoHA) ▪ Swiss Agency for Development and Cooperation – SDC , Hanoi ▪ United Nations Development Program – UNDP, Hanoi ▪ World Bank – WB, Hanoi
Local level	<ul style="list-style-type: none"> ▪ Departments of Home Affairs (DoHA) ▪ Departments of Planning and Investment (DPI) ▪ Commune PC Chairmen and/or Vice Chairmen ▪ Managers of OSS in localities

	<ul style="list-style-type: none"> ▪ Staff working in the OSS in localities ▪ Heads of functional bureaus, responsible for processing requests submitted at the OSS in localities ▪ Functional bureaucrats working in functional bureaus
OSS customers	<ul style="list-style-type: none"> ▪ Customers in localities assessed
Other OSS customers	<ul style="list-style-type: none"> ▪ Customers who have submitted a request for service to an OSS on at least one occasion (not in the localities assessed)
Others	<ul style="list-style-type: none"> ▪ International and local law cabinets, journalists, researchers, consultants, and civil servants not directly involved in the OSS mechanisms
Civil society	<ul style="list-style-type: none"> ▪ International NGOs ▪ Journalists ▪ Students

Source: my own representation

Table 2: List and number of primary stakeholders interviewed

No.	Primary stakeholders	Number of persons interviewed
1	PC Chairmen and/or Vice Chairmen and OSS managers at commune level – Questionnaire A	18
2	OSS staff at commune level – Questionnaire B	18
3	Heads of functional bureaus at commune level – Questionnaire B	23
4	Bureaucrats working in functional bureaus at commune level - Questionnaire B	15
5	Provincial/District Department of Home Affairs – Questionnaire guidelines E	7
6	OSS clients in the locality assessed – Questionnaire C	90
7	OSS clients not in the locality assessed - Questionnaire D	223

Source: my own representation

For the other interviewees (e.g., multilateral agencies, international NGOs, etc.), an open questionnaire was used, customized according to the type of information sought.

5.2 Secondary data

Secondary data are used in this research to answer to questions 1, 2, and 3 and, partially, also 4 (see Part VI). Secondary data have been gathered from any possible source available, including everything from reports on OSS feasibility studies, assessments and evaluations performed by bilateral and multilateral donors, to academic research, Government documents and studies, at both central and local level.⁴

⁴ For more details on secondary data sources, see bibliography

5.3 Case studies selection

The selection of case studies used for this empirical research was done by the Department of Public Administration Reforms (in the form of the Ministry of Home Affairs, that is, the central agency responsible for the implementation of PAR programs in Vietnam) in conjunction with the Swiss Agency for Development and Cooperation (SDC). The assessment methodology and the questionnaires were prepared by me and afterward submitted for approval to the Department of Public Administration Reform.

Field research localities were selected based on an attempt to balance several criteria:

- Administrative level: communal agencies (no district or provincial level OSS)
- Geographical location (rural, urban, highlands, lowlands, and remote areas)
- Ethnic homogeneity (commune with and without ethnic minorities)
- Poverty rate (poor and better-off localities, based on the national average)

Table 3: Commune OSS assessed

Provinces	Level of analysis (administrative level)	Urban/ Rural	Ethnic heterogeneity	Poverty rate 2005 (with respect to national average rate: 19% ⁵)	Location in Vietnam
	Commune/ward OSS				
Da Nang	Thuan Phuoc	U	-	1.5	Central
	Vinh Trung	U	-	1.1	
Dong Thap	Tan Thuan Tay	R	-	16.6	South
	Phu Duc	R	-	16.2	
	Cao Lanh ward n° 2	U	-	12.3	
Hanoi	Doi Can	U	-	1.2	North
	Ward 2	U	-	1.2	
Kien Giang	Mong Tho B	R	-	17.0	South
	Mong Tho A	R	-	17.5	
	Vinh Thanh Van	U	-	12.0	
Ninh Binh	Quynh Luu	R	-	19.5	North
	Cuc Phuong	R	x	24	
Quang Nam	Tan An	R	-	11.3	Central
	Que Minh	R	-	36.0	
	Binh Duong	R	-	31.6	

⁵ Retrieved on December 2010 from AusAID,
<http://www.ausaid.gov.au/country/country.cfm?CountryId=33>

Provinces	Level of analysis (administrative level)	Urban/ Rural	Ethnic heterogeneity	Poverty rate 2005 (with	Location in Vietnam
	Tam Phuoc	R	-	16.8	
Tra Vinh	My Hoa	R	x	38.2	South
	My Long Bac	R	-	14.9	

Source: my own representation

Table 4: Provinces where commune level OSS was assessed: Northern area

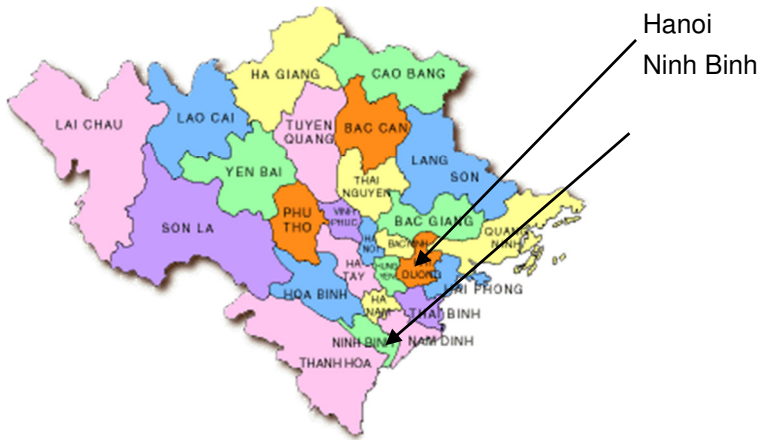


Table 5: Provinces where commune level OSS was assessed: Central area

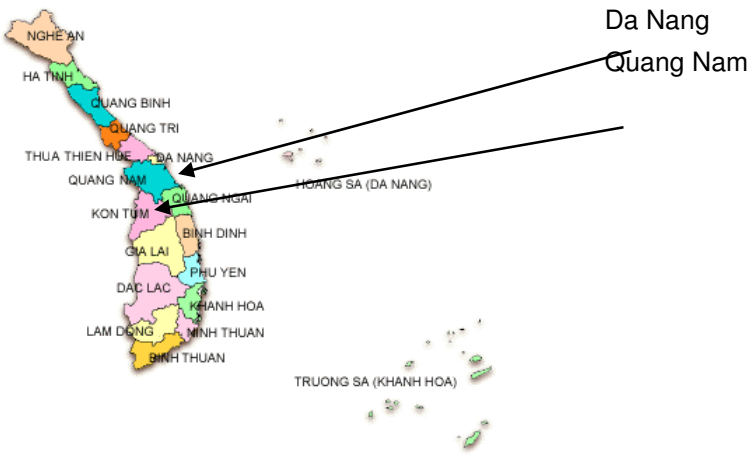
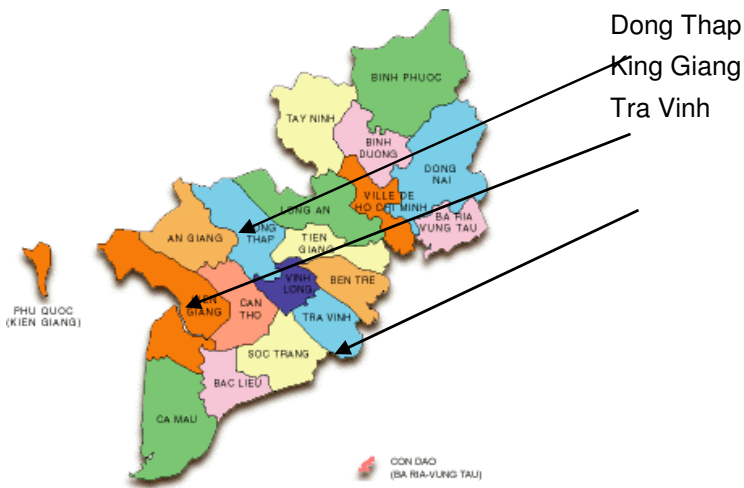


Table 6: Provinces where commune level OSS was assessed: Southern area



6. Limitations of the research

The first limitation of this research concerns the fact that the sample of OSS assessed was not randomly selected. The list of localities is in fact the result of a joint decision between the MoHA (Department of Public Administration Reform) and the SDC. For this reason, and owing to the fact that this research is based on the assessment of a limited number of localities (18 OSS in 18 communes were visited and assessed), the findings should be considered only in the light of such limited number of field visits; any general conclusion should be carefully weighted.

The second limitation concerns the fact that Prime Minister’s Decision (PMD) 181 was formally adopted in September 2003. According to article 17, localities had an obligation to implement the delivery agency starting from 1 January 2004 at provincial and district level, and from 1 January 2005 at commune level. In a minority of localities assessed, the OSS had only recently been implemented, while in others it had been operating for months, that is, years. It cannot therefore be excluded that for those recently-implemented OSS, such a short time frame might have played a role in the quality of the performance of the OSS.

Another limitation of this research concerns the fact that I collected information while working for an external aid agency. While at the beginning of each interview I always made it clear that the objective of the assessment was to identify *best practices* and *lessons learned* so as to be able to advise the Vietnamese Government on implementing the OSS program, one cannot exclude the possibility that interviewees adjusted their responses so that the same would be of interest to the agency, with the objective of benefiting from financial support.

Another limitation of this research concerns the fact that I do not speak Vietnamese and most primary data gathered and reported in this research have been translated from Vietnamese into English. It is reasonable to assume that in the translation some information has been lost and some potentially distorted. In

order to minimize such bias, all the fields study reports and localities fact sheets have been read and validated by my translator.

Finally, it was my intention to have an additional round of primary data collection and to visit the 18 communes on a second occasion, following a reasonable lapse of time after my first visit. The idea was to collect additional data and see whether a change in OSS performance had occurred since my first visit. With this objective in mind, I contacted the SDC in Hanoi in late spring 2008 to discuss my plans with them.

Given that without the support of a shelter institution it is basically not possible to perform any kind of research in Vietnam, especially if this concerns governance-related issues and requires the visiting of state institutions, an affiliation to an official organization is required for permission and authorization to interview Vietnamese officials.

The SDC approved my project; the study was also of great interest to them since they were setting up OSS structures in Pakistan and Bangladesh too. The Vietnamese experience was considered highly valuable and potentially a pilot to further involvement of the SDC in such kind of public administration reform in those countries where the agency operates.

Unfortunately, the Ministry of Home Affairs refused to grant authorization to carry out the study, justifying the refusal with the fact that OSS had henceforth become a domestic issue and that the Government did not wish any donor involvement in the program. During informal discussions with donors in Hanoi, I was told that in all probability, considering the poor outcomes of the program, the Government had not granted authorization to the SDC to carry out research on OSS; it was reluctant to have an additional donor report point out just how slowly institutional reforms in the country progressed and, in some respects, did not progress at all.

7. Structure and analytical approach of the thesis

7.1 Structure of the thesis

The thesis is presented over seven parts. Part I presents the objective of the research, the case study, the four research questions, the source of primary and secondary data, as well as the research limits.

Part II concerns a review of the literature. The concept of good governance is extensively, and critically, discussed; the same holds true for the notion of public administration reform.

Part III presents the key concepts and the general analytical framework that will be used to answer the four research questions. After reviewing key concepts of rational choice institutionalism, and briefly presenting also historical and sociological institutional approaches, I discuss the concept of power and how it articulates with the notion of good governance. In order to build up the general analytical framework that guides the diverse analysis presented in this research (the general analytical framework is presented in the last section of Part III), I introduce key analytical concepts such as political regime, political spaces, and political participation.

Part IV presents the empirical data of the research. After sketching out OSS program objectives, the logical framework of the initiative, and the expected outcomes, the OSS implementation results are measured via a composite index (OSS performance index) that I have developed in order to assess the level of effectiveness of the initiative. More precisely, the OSS Performance Index measures the gap between OSS expected outcomes (effects on transparency, responsiveness, and accountability in PA services delivery) and the results observed on the ground.

In Part V the Vietnamese political regime is presented. This part is meant to provide the institutional and political context within which PAR, and more particularly OSS initiatives, has been adopted and implemented. Furthermore, it is meant to provide the background against which, in Part VI, the four research questions will be addressed.

After sketching out the historical and cultural backgrounds behind the construction of modern political institutions, I present the three main historical periods of Vietnamese institutional building: the *anti-French resistance* (1945–1955), the *participation* of state institutions (1984–1986), and the *statization* phase (1986–present). Authority relationships and mechanisms of control internal to state institutions and between the state and society are the key focus of this part.

Part VI concerns the four research questions of this thesis. Each one of the four sections of this part opens with a recall of the relevant building block of the general analytical framework (presented in Part III) suitable for answering the question. The first question concerns the policy rationale behind the adoption of PAR in Vietnam; the second deals with the reforms content (policy design), the third concerns the explanation of OSS outcomes on the ground at commune level, and finally, the fourth and last question deals with the potential political consequences of the performance of the OSS program for its initiators, the central Government, and the Communist Party of Vietnam.

Part VII presents the conclusions, and focuses on the analytical and theoretical considerations of the thesis.

7.2 Analytical approach: a quick overview

The analytical approach of the thesis follows the logic of an evaluation framework, as presented in Table 7 (see the chapter on the analytical approach for the explanations and the details of the analytical framework).

The overall idea is that, as this research ambitions to demonstrate, via an analysis of stakeholders' institutional power balance one can substantiate (i) PAR rationale, (ii) PAR policy choice (its design and content), (iii) PAR outcomes on the ground, and finally (iv) PAR political effects on power holders.

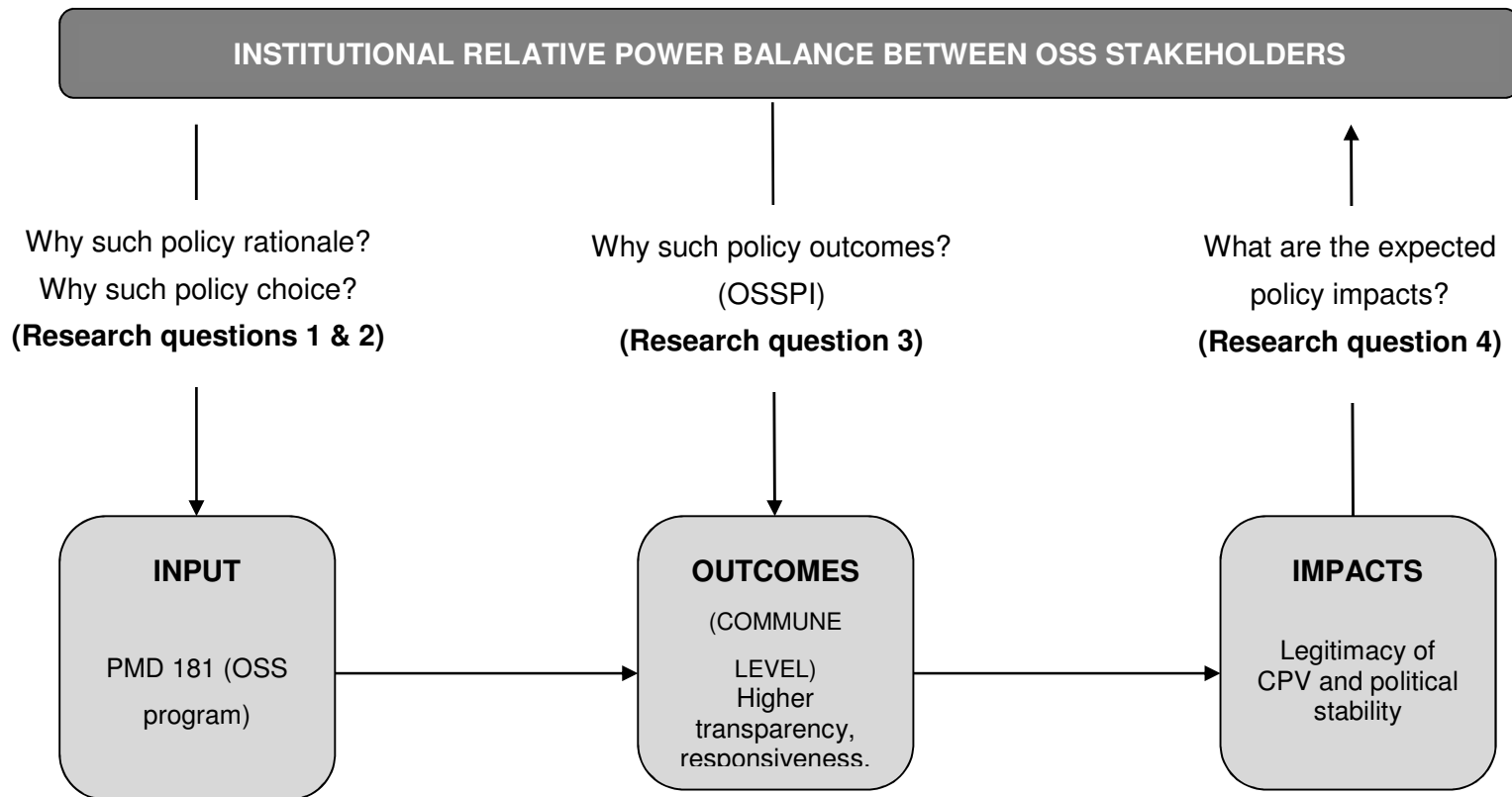
As I point out in the analytical framework, power holders attempt to shape political institutions in a way so as to ensure their political dominance over others; institutional reforms – and, as such, good governance reforms – respond to the same rationale (see, for instance, Knight, 1992; Moe, 2005). Given that policies are the product of a given political institutional environment, the analysis of the political regime can thus also help explain reforms rationale (i.e., what the

final goal is of these reforms) and their content (i.e., what the room of maneuver is at the disposal of power holders to design reforms meant to serve their strategic political interests).

Stakeholders compete for control over resources and, as such, attempt to shape the policy implementation trajectory in a manner that best serves their interests (see, for instance, Fritz et al., 2009). As a consequence, the strategic interests of the most powerful fundamentally determine policy outcomes and impacts (see, for instance, Grindle & Thomas, 1991).

Reforms outcomes also have an effect on the institutional power balance itself, and this depends on the degree of their success. Successful reforms are those that deliver results in line with the objectives of their initiators (i.e., power holders) that is, to reform political institutions in a way so as to have their political dominance preserved (see, for instance, Moe, 2005). If reforms fail, then political institutions are not reformed accordingly, and this may have a consequence for the political configuration, depending on the degree of political and social pressure unleashed by the relative non-fit between the institutions and societal power balance.

Table 7: Conceptual framework: institutional political analysis of the OSS program



PART II – A CRITICAL REVIEW OF GOOD GOVERNANCE & PUBLIC ADMINISTRATION REFORMS

The first chapter presents an historical introduction of the concept of governance, and sketches the dominant state reforms paradigms beginning with the *development administration* and subsequent *first generation* and *second generation reforms*.

The second chapter approaches the fuzzy concept of governance, and identifies its diverse meanings, uses and understandings.

The third chapter deals with PAR, approaching this vast topic from the angle of the two dominant reform models: the NPM and the good governance rationales.

1. The emergence of the governance agenda

The emergence of the good governance agenda is the result of an historical process and of a change in terms of dominant ideas concerning the state, the markets, and civil society (Bovaird, 2005; Bovaird & Loeffler, 2003). The expectations regarding the role that public bureaucracy has to play in development and social uplift reflect these changes. While considered the leading agent after the Second World War, public bureaucracy has been profoundly challenged, starting in the 1970s under the influence of *Public Choice* theorists. *First generation reforms* and NPM are partly the expression of such ideological posture.

Although Evans et al. published their highly acclaimed “Bringing the state back in” already in 1985, it is only in the 1990s, with the example of the Asian Newly Industrialized Countries (NIC), that the gradual reconsideration of the role of the state as a key player in development emerged: it is in such context that good governance and *second generation reforms* are rooted.

1.1 From development administration to Second Generation Reforms

The end of the Second World War and the process of decolonization marked the beginning of international development aid (Turner & Hulme, 1997). At that time, the international aid strategy was based upon the idea that it was incumbent upon state bureaucracy to be the leading “agent for the transition to what was then known as” (Batley & Larbi, 2004, p. 2) “modernization” (Stone, 1965, as cited in Batley & Larbi, 2004, p. 2). And that was a time when modern was equated with being as advanced as western societies (Batley & Larbi, 2004).

1.1.1 The Development Administration agenda

The *development administration* was a discipline conceived, at least in its early days, “as a midwife for western development - creating stable and orderly change” (Dwivedi & Nef, 1982, as cited in Turner & Hulme, 1997, p. 12).

Referring to Esman (1988), Batley and Larbi, (2004, p. 2) note that, inspired by

the newly born *Development Administration* approach, western development agencies “favored large-scale industrial and agricultural development which (...) required a guarantee of Government involvement”. Bureaucracy and state involvement was necessary since domestic market institutions and indigenous entrepreneurs were weak and the private sector lacked “locally mobilizable capital and entrepreneurship experience and skills” (Hirschmann, 1999, p. 289). Where such attributes exist

there was a mood of distrust of to the profit motive of such an entrepreneurial class; it was seen as a pariah group, an ex-colonial legacy, or representative of neocolonial interests. The bureaucracy, by contrast, was seen as the prime location of skills, education, organization, and initiative, a provider of public equity and generator of development (Hirschmann, 1999, p. 289).

That “was a form of social engineering imported from the west” (Turner & Hulme, 1997, p. 12), and it was seen as “the practical application of the modernization theory” (ibid). It reflected the idea “that there were straightforward technical solutions for underdevelopment and the West possessed them” (ibid). In addition to its expected positive economic returns for the west, the *development administration* also had a clear political agenda, which was to fight “communism in the underdeveloped nations by engineering the transformation to capitalist modernity” (ibid).

While the modernization perspective did not entitle a monolithic approach to development, several generalizations can be made (Brinkerhoff & Crosby, 2002).

First of all, its basic assumption rested on the idea that big government was synonymous with an “expanding economy and an increasingly just society” (Esman, 1988, as cited in Turner & Hulme, 1997, p. 12). Second, it also rested on the idea of the “elitist bias” (Turner & Hulme, 1997, p. 12) that an educated minority, i.e., technicians, politicians, and planners, “would be committed to transforming their societies into replicas of the modern Western nation-states” (ibid). Third, as stressed by Turner and Hulme (1997) “foreign aid was the mechanism” (p. 13) by which the problem of lack of domestic administrative capability and skills would be tackled, achievable by the transfer and application of performing tools “from the west to developing countries” (ibid). Fourth, “culture was early recognized on as an impediment to the smooth functioning of Western tools and dominant Weberian models of bureaucracy” (Turner & Hulme, 1997, p. 13); administrative development needed “to overcome such cultural obstacles, which were seen as the source of bureaucratic dysfunctions” (ibid).

As early as the 1950s and 1960s, the first set of critics against the *development administration* started to emerge. But “this was not a matter of ideological opposition to the extension of the state” (Batley & Larbi, 2004, p. 3) as occurred during the 1980s; “it was rather a question whether the state and public administration of developing countries were structurally (not just technically), capable of acting as the agent of development”, raising “issues of the nature of

bureaucracy and the social composition of the state” (ibid). According to these critics, explain Batley and Larbi (2004, p. 3), based on the results of development projects in Africa and Asia, bureaucrats were seen as being “biased to stability or only incremental change, were anti-development, and suppressed entrepreneurial interest”.

A second group of critics against the *development administration* emerged as a result of experiences also in Sub-Saharan Africa, in “which the state apparatus maintains only a tenuous hold over society, lacking legitimacy and therefore the capacity to enforce policy” (Batley & Larbi, 2004, p. 3). This has often been associated with the idea of patrimonialist states “where leaders exercise their own interests through the official apparatus and patron-client networks, or (...) militaristic regimes” (ibid).

Finally, as noted by Batley and Larbi (2004, p. 4), a third group of critics came from the neo-Marxist and dependency theory, which claimed that “the apparatus of the state (the bureaucracy and military) [were] subordinated to non-national interests, particularly to international capital”. This type of critique, add the scholars referring to the work of Collier (1979) “was used to explain the rise of various forms of authoritarian rule in the 1970s (...) and the post-colonial overdeveloped state in South Asia” (ibid). In such spirit, conclude the authors, “far from being an agent of development, the state was seen as an agent of underdevelopment or distorted development” (ibid).

Facing poor performance and profound criticism, the *development administration* was in “crisis” (Brinkerhoff & Coston, 1999, p. 356) and the academic community associated with the discipline “entered a period of self-criticism” (Turner & Hulme, 1997, p. 15). In the 1970s, *development administration* finally began to question its theoretical assumptions, but, by that time, it was too late (ibid).

1.1.2 The First generation reforms: changing the rules

The mid-1970s marked a resurgence of neo-liberal ideology, triggered by the deception of the Keynesian welfare model and the international economic recession (Larbi, 1999a). Such international environment was exacerbated, stress Bartley and Larbi (2004, p. 4), by the emergence of military regimes, despotic and authoritarian states, and a “deep pessimism about the scope for development skepticism about the state’s role”.

In the west, “neo-classical economists (...) gained considerable influence in policy circles and were also pointing to inefficiency and ineffectiveness in the public sector” (Turner & Hulme, 1997, p. 18), and claiming that state should be “*rolled back*” (ibid). As noted by Turned and Hulme (1997), according to the new economic orthodoxy, governments were no longer considered the main actor to achieving development; they were, on the contrary, considered as the obstacle to it.

In a political and economic context characterized by dramatic fiscal pressure that called for drastic public spending cuts (Heredia & Schneider, 1998, p. 1), *Public Choice* theorists, notes Larbi (1999b, p. 3) referring to Chapman (1979), put forward the argument that the “reward system in the public sector did not promote effective performance and that politicians and bureaucrats had no incentive to control costs”.

Larbi (1999b, p. 3), referring to leading *Public Choice* theorists (Niskanen, 1971 and Downs, 1967) notes that, according to this theoretical school of thought, in the “absence of any automatic disciplining mechanism (i.e., market forces), government agencies [would] oversupply collective goods because of bureaucrat budget maximization practices”; this would inevitably lead “to an expansion of governmental functions” and in the size of the bureaucracy (p. 4).

Table 8: First generation reforms: changing the rules

Main objective	Crisis management: reducing inflation and restoring growth; contingency reforms
Instruments	Drastic budget cuts, tax reform, price liberalization, trade and foreign investment liberalization, deregulation, social funds and safety nets, autonomous contracting agencies, privatization
Actors	Presidency, economic cabinet, central bank, multilateral financial institutions, private financial groups, foreign portfolio investors

Source: Adapted from Naim (1995) and the World Bank (1997), as illustrated in Santiso (2003, p. 7). *Insulated Economic Policymaking and democratic governance: the paradox of second generation reforms in Argentina and Brazil*. SAIS Working Paper Series

On the public management side, *Public Choice* theories encouraged the emergence of new management theories and practices which, a few years later, would be labeled as *New Public Management* (Hood, 1991) and which drew heavily on the innovations and trends in private sector management (Pollitt & Bouckaert, 2004). As the main objective of the NPM was to address the issue of public bureaucracy inefficiency with private market tools, the “old distinction between public and private management became blurred” (Turner & Hulme, 1997, p. 18).

In developing countries, as noted by Turner and Hulme (1997, p. 18), “the dissemination of this model (...) was undertaken by enthusiastic western advocates and influential multilateral institutions such as the World Bank and the IMF”. Both institutions also “became the main propagators of the Washington Consensus, a panoply of precepts to do with the liberalization, privatization and stabilization of economies, and the reduction of the role and scale of the public sector” (Batley & Larbi, 2004, p. 5). As pointed out by Hildebrand and Grindle (1994), “the notion of a minimalist role for the state, largely defined in terms of what it should not do” (p. 7).

The combination of *structural adjustments programs*, SAP and NPM techniques, inspired by the private sector is nowadays termed as the *first generation reforms*. While it is generally admitted that economic and administrative structural changes are required to ensure sustainable development in both developing and high income countries (Grindle, 2005; Rodrik, 2004, 2005), the SAP have been widely criticized for their impacts in developing countries and this mainly for three reasons (Batley & Larbi, 2004; Turner & Hulme, 1997).

First, as pointed out by Batley and Larbi (2004, p. 5), there is an issue related to

“ownership, [which refers] to who conceives, drives and supports the reforms”. As noted by the two scholars, countries such as the UK, that also had to implement SAP in 1976, “were able to mould the pace and nature of their responses and did so with the compliance of their electorates”. Less developed states, on the contrary, have adopted the SAP in the absence of an enabling, democratic, pluralistic domestic institutional environment, leaving international bilateral and multilateral agencies to determine the implementation agenda (ibid).

The second reason why the SAP have been criticized, explain Batley and Larbi (2004, p. 5), is because of the “uniformity of application”, based on the fallacious idea that *one size fits all*. The SAP were, in fact, implemented in countries with very different cultural and historical backgrounds, institutional frameworks, and political and social structures, “whose only common feature was debt” (ibid).

The third reason concerns the fact “that adjustment has often been implemented in an unbalanced way” (Batley & Larbi, 2004, p. 6) in relation to policy targets and implementation pace, “leading to deeper crisis and poverty” with also profound consequences in terms of social inequality.

1.1.3 The Second generation reforms: changing institutions

In the early 1990s, following the criticisms against *first generation reforms*, and supported by an international environment ideologically less polarized and more favorable toward pragmatism, the “international reform agenda was modified in various ways” (Batley & Larbi, 2004, p. 6).

The new agenda is known as the *second generation reforms* and finds its intellectual roots in the institutional schools whose supporters strongly advocated that the state and the *institutions matter* for the performance of society (see, for instance, Burki & Perry, 1998; Evans, 1995, 2004; Evans et al., 1985; WB, 1997a).

The main modifications of the reform agenda were two-fold. Firstly, the goal of the *second generation reforms* was “extended from freeing market forces and making economies efficient to directly addressing poverty” (Batley & Larbi, 2004, p. 6). In this regard, the “support of donors and governments was to be coordinated through international development targets and comprehensive development frameworks, whose main mechanism was country-specific *poverty reduction strategies*” (ibid).

Secondly, the “early 1990s saw recognition that market development and poverty reduction depended on effective states” (Batley & Larbi, 2004, p. 6)⁶. This represented a radical change in the development agenda that followed nearly twenty years of strong and sustainable development of Asian Newly Industrialized Countries – NIC.

As noted by Turner and Hulme (1997), the Asian NIC success story “is not simply the triumph of the market, but also has much to do with strong state

⁶ See, for instance: The World Bank. (1993). *The East Asian Miracle: Economic Growth and Public Policy*. Oxford University Press.

institutions” (p. 49).

Table 9: Second generation reforms: changing institutions

Main objective	“Improving social conditions and competitiveness; maintaining macroeconomic stability; structural reforms”
Instruments	Civil service reform, restructuring of social ministries, judicial reform, modernizing of the legislature, upgrading of regulatory capacity, improving tax collection, large-scale privatization, restructuring central-local government relationships
Actors	Presidency and cabinet, legislature, civil service, Judiciary, unions, political parties, civil society and media, state and local governments, private sector, multilateral financial institutions

Source: Adapted from Naim (1995) and the World Bank (1997a), as illustrated in Santiso (2003, p. 7). *Insulated Economic Policymaking and democratic governance: the paradox of second generation reforms in Argentina and Brazil*. SAIS Working Paper Series.

While SAP “addressed the state essentially as something to minimize by cutting back the responsibilities, expenses and size of the public sector” (Batley & Larbi, 2004, p. 6), scholars and researchers started to acknowledge that “the argument that the size of the public sector needed to be drastically reduced had probably been taken too far” (Israel, 1990, p. 3).

It is in such spirit that the WB published, in 1997, *The State in a Changing World* in which it claimed “the state is central to economic and social development, not as direct provider of growth but as a partner, catalyst and facilitator” and “the state development has failed, but so will stateless development” (WB, 1997a, p. iii). Thus, the second round of reforms represents the attempt to engage development efforts to “change institutions which structure political and economic life” (WB, 2000, p. 94).

The policy agenda that aims at achieving these institutional changes is called *good governance*.

2. Theoretical approach to the concept of governance

Governance has become a popular concept in much of contemporary development and political debate, both in developing and developed countries. Such rapid increase in popularity often tends to cause confusion about what the concept in question stands for, and the recent debate on good governance is no exception to this rule. This is the reason why, in order to clearly define with which concept and definition of governance this research is concerned, it is useful to present some influential views on the topic.

As pointed out by Pierre and Peters (2000), lexicographically speaking, the term governance comes from the Latin “*cybern*”, i.e., “*steering*”, “the science of control” (p. 23). According to them, “governance has become an umbrella concept for a wide variety of phenomena” (p. 14) such as, for instance, the

concept of network governance, public management, NPM, etc.

Moreover, governance has also been applied in different contexts: public governance (e.g., Nolan, 2001), multi-level governance (e.g., Hill et al., 2005), democratic governance (e.g., Brinkerhoff & Goldsmith, 2002), public sector governance (e.g., WB, 1997a), interactive governance (e.g., Kitthananan, 2006), and good governance (e.g., WB, 1997a), etc.

2.1 Defining governance

Before getting to the definitions of governance, let us first briefly consider the distinction between *government* and *governance*.

While government implies that “real political authority is vested somewhere within the formal legal institutions of the state” (Hyden & Bratton, 1992, p. 6), governance can be seen as “a broader notion than government” (working definition of the British Council, as cited in Shema, 2004, p. 10). In fact it “involves interaction between the formal institutions and those in civil society. Governance refers to a process whereby elements in society wield power, authority and influence and enact policies and decisions concerning public life and social upliftment” (British Council⁷).

Here lies, according to Pierre and Peters (2000), the reason for this concept’s current popularity: “it is probably its capacity, unlike that of the narrow term government, to cover the whole range of institutions and relations involved in the process of governing” (p. 1).

Governance, notes Stoker (1998, p. 17), “is ultimately concerned with creating the conditions for orderly rule and collective action”. The scholar adds thus that “the output of governance is therefore no different from that of government; rather, it is a matter of difference in the processes” (ibid).

For Huther and Shah (2003), “governance is a multi-faceted concept encompassing all aspects of the exercise of authority through formal and informal institutions in the management of the resource endowment of a state” (p. 40). These definitions, as stressed by Nolan (2001), presuppose that governance redefines the relationship between the state (public sector), the markets, and society, as a partnership meant to achieve public policy goals.

Or, as put by Loeffler (2003, p. 166), “if governance is much more than the government, does this mean that governments no longer have an important role to play in politics and services delivery?” Along the same line, Pierre and Peters (2000, as cited in Loeffler, 2003, p. 166) raise the point: “does government still matter?”

Loeffler (2003) argues that “such questions are misguided” (p. 166) because the important issues here are: “when does government still matter? What functions could public agencies share with other stakeholders? What are the roles of different stakeholders, including the public sector, in solving different problems in society” (ibid)?

⁷ Retrieved on 24 February 2012 from

<http://www.searo.who.int/en/Section1243/Section1255/Section1413.htm>

As Rhodes observes (1997, as cited in Ferlie et al., 2005, p. 433), the “State becomes a collection of inter-organizational networks made up of governmental and societal actors (...). A key challenge for government is to enable these networks and seek out new channels of cooperation”. Loeffler adds:

the importance of public governance does not so much pose the question “how much state”? but rather “which state”?, where we have to deal with the state as the interaction of multiple stakeholders, each of whom has some public responsibility to influence and shape decisions in the public sphere (Loeffler, 2003, p. 167).

For international aid donors, the definition of governance is different. In fact “their definitions reflect their interest in strengthening domestic institutions for policy development and implementation” (Kitthananan, 2006, p. 2).

As for the WB (1992), governance is “the manner in which power is exercised in the management of a country’s social and economic resources for development” (p. 1).

The ADB approaches governance from a slightly different perspective, focusing on the idea of “sustainable human development” (Kitthananan, 2006, p. 2). According to the bank, governance

encompasses the functioning and capability of the public sector, as well as the rules and institutions that create the framework for the conduct of both public and private business. Accountability for economic and financial performance, and regulatory frameworks relating to companies, corporations, and partnerships (ADB, 1995, p. 3).

As for the UNDP, governance is

the exercise of political, economic and administrative authority in the management of a country’s affairs at all levels. Governance comprises the complex mechanisms, processes and institutions through which citizens and groups articulate their interests, mediate their differences and exercise their legal rights and obligations. (...) It is participatory, transparent and accountable. It is effective in making the best use of resources and is equitable. And it promotes the rule of law (UNDP, 1997, p. 3).

2.2 Diverse approaches to governance

There is a common understanding among scholars that governance is “a new way of thinking about state–society relationships” (Kitthananan, 2006, p. 3). The literature that deals with governance presents diverse approaches and versions of this term. I present, hereafter, approaches relevant for this research.

2.2.1 Governance as a process and as a structure

A first influential conceptual use of governance that can be found in the literature

is that of *structure* (Pierre & Peters, 2000, pp. 14–27). Governance as a structure refers to “the variety of political and economic institutions that have been created over time [in order to] address problems of governance” (p. 15): these arrangements are the *hierarchy*, the *market*, the *network*, and the *community*.

Referring to Jorgensen (1993), Kitthananan (2006, p. 11) writes that the “hierarchical model is somehow characterized by constitutional rules for the government and bureaucracy, that operate through top-down authority systems. This is essentially governance by law, and the control mechanism is carried out using hierarchy and rules (...)”. In public organizations, this model has inspired the bureaucratic Weberian type (Pierre & Peters, 2000, p. 15).

As for the second institution, i.e., the market, it can be considered “a resource-allocation mechanism, or more broadly the employment of monetary criteria to measure efficiency” (Kitthananan, 2006, p. 11). In the perspective of market as governance, this “is believed to be the most efficient and just mechanism available since it does not allow for politics to allocate resources where they are not employed in the most efficient way” (Pierre & Peters, 2000, pp. 18–19). This mechanism is also believed to “empower citizens in the same way as we exercise power as consumers” (p. 19).

The network model comprises a large number of actors, i.e., state institutions, business associations, organized interests, civil society, etc., in a given policy sector. Kitthananan (2006, p. 12) acknowledges that network can be defined as a form of formal and informal net linking “essentially equal agents or social agencies”. Pierre and Peters note (2000, p. 20) that the “relationship between the networks and the state could be described as one of mutual dependence”. From the state perspective, “networks embody considerable expertise and interest representation, and hence are potentially valuable components in the policy process. However, networks are held together by common interests, which tend to challenge the interests of the state” (ibid)

Finally, communitarian governance rests on the idea “that communities can – and should – resolve their common problems with a minimum of state involvement” (Pierre & Peters, 2000, p. 21). Communitarian governance is advocated both by those “that think there is too much and those that think there is too little government” (ibid). For the former, this is an “alternative to having government at different levels decide on matters which are best resolved by members of the community, whereas for the latter it is a means to introduce some sense of collective responsibility into the community” (ibid).

2.2.2 Governance as an analytical framework and theory

A second influential approach of the concept of governance is see it “as an analytical tool that helps to unpack the complex way in which political, economic, and social activities are organized” (Beeson, 2001, p. 482).

According to Stoker (1998), although governance as an analytical framework does not offer much “at the level of causal analysis, (...) the value of the concept of governance rests in its capacity to provide a framework for understanding changing processes of governing” (p. 18). Governance, adds the author, “brings into focus a number of key dilemmas or concerns about the way in which

systems of government are changing” (p. 26).

Kitthananan (2006, p. 7) points out that governance “represents a conceptual or theoretical framework of coordination of social systems, and the changing role of the state in that process”. Along the same line, Judge et al., (1995, as cited in Kitthananan, 2006, p. 7) note that governance “provides a language and frame of reference through which reality can be examined, and lead theorists to ask questions that might not otherwise occur”.

Loeffler (2003, pp. 164-165) has identified the following features of governance as theory:

- It “assumes a multiple stakeholder scenario where collective problems can no longer be solved only by public authorities, but require the cooperation of other players (e.g., citizens, business, voluntary sector, media) - and in which it will sometimes be the case that practices such as mediation, arbitration and self-regulation may be even more effective than public action”;
- It “deals with formal rules (Constitutions, laws, regulations) and informal rules (codes of ethics, customs and traditions), but assumes that negotiation between stakeholders seeking to use their power can alter the importance of these rules”;
- It “no longer focuses only on market [or bureaucratic] structures as steering mechanisms”, but also takes into account “cooperative networks as potential facilitating structures in appropriate circumstances”;
- It “is inherently political, concerned as it is with the interplay between stakeholders seeking to exercise power over each other in order to further their own interests”.

2.2.3 State as a dependent or independent variable

Another issue in the literature that is raised when utilizing a governance approach is the definition of the “analytical perspective” (Pierre & Peters, 2000, p. 24); this implies, as pointed out by Pierre and Peters (2000, p. 26), considering “the state as either the independent or the dependent variable”.

As for the state as an independent variable, “the role of the state (...) can vary from being the key coordinator to being one of several powerful actors” (ibid). In this case, its positioning with regard to other social and political forces will

depend on a large number of factors, such as the historical patterns of regulation and control of the particular policy sector, the institutional interest in maintaining control, the degree to which governance requires legal and political authority, and also the strength of societal organizations and governance networks (Pierre & Peters, 2000, p. 26).

As for the state as a dependent variable, it refers to how the “emerging model of governance affect[s] the state in different respects” (Pierre & Peters, 2000, p. 26) or how these new governance arrangements do “alter the powers and capacities of the state” (p. 27).

2.2.4 Governance as a means or governance as an end

Another influential and related view of governance is one that distinguishes governance as a means from governance as an end (Pierre & Peters, 2000, p. 22). Governance as a means, or governance as a process, reveals governance as sustaining an enabling environment for market, civil society, and state development through co-operations and partnerships. In this perspective, the issue in question is how to create an enabling governance arrangement that favors policy outcomes (Loeffler, 2003).

On the other hand, examples of governance as an end can be found in the literature of democratic governance (see, for instance, UNDP, 2009b): here, the focus is on the implementation of formal democratic institutions, seen as the ultimate objective of pro-governance policies.

2.2.5 Formal vs. informal governance

An interesting perspective also discussed in the literature is the formal and informal dimensions of governance. For instance, Brinkerhoff and Goldsmith (2002) suggest that governance is about formal and informal decision-making systems. The

formal systems are embodied in Constitutions, commercial codes, administrative regulations and laws, civil service procedures, judicial structures, and so on. Their features are readily observable through written documents, physical structures (e.g., ministry buildings, legislatures, courthouses), and public events (e.g., elections, parliamentary hearings, state-of-the-union addresses, city council meetings, legal proceedings) (Brinkerhoff & Goldsmith, 2002, p. 1).

On the other hand, as for the informal systems, these are “based on implicit and unwritten understandings. They reflect socio-cultural norms and routines, and underlying patterns of interactions among socioeconomic classes, and interest and ethnic groups” (Brinkerhoff & Goldsmith, 2002, p. 1).

Furthermore, add the scholars, “governance systems have a dual character; formal and informal elements exist side-by-side and are intimately connected in diverse and not immediately obvious ways” (ibid).

2.2.6 Descriptive and normative dimensions of governance

Governance can, in addition, be conceived both as a descriptive and a normative concept. Let us take as an example the popular definition of the WB on governance, that is, “the manner in which power is exercised in the management of a country's economic and social resources for development” (WB, 1992, p. 1). Such definition, as noted by Cheung and Scott (2003, p. 4) “contains an important elision between the descriptive and the normative”, where the idea of “manner (...) could imply a normative judgment of that process”.

The descriptive approach of governance is like a *picture*, an assessment that helps to identify those “traditions and institutions by which authority in a country is exercised” (Kaufmann et al., 1999, p. 1). In this sense, it is as if governance is

used as an analytical framework to describe a given country’s power and authority arrangement.

The normative judgment is that step further, which, based on what one observes, enables one to judge the governance arrangements as either positive or negative.

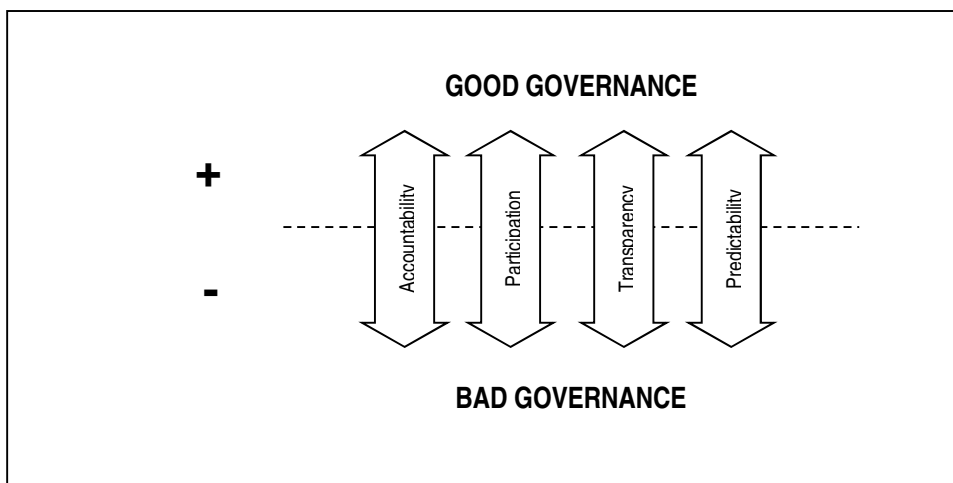
2.2.7 Normative approaches to the concept of good governance

The most popular usage of the normative dimension of governance is found in the notion of *good governance*. This term is mainly used within the development community and has been popular since the mid-1990s. International development agencies consider *good governance* as a set of attributes of governance, which is “the manner in which power is exercised” (WB, 1992, p. 1).

The normative judgment included in the term *good governance* “contains a set of norms and principles” (Fritz & Monecal, 2007, p. 537), which are based on the assumption that “the manner in which power is exercised” (e.g., in a participatory, accountable, transparent, etc., manner) makes the difference between *good* and *bad* governance.

While good governance in the development community is associated with positive pro-poor policies outcomes and effective development results, *bad governance* is viewed as a critical impediment to development and effective international aid policies (OECD, 2010).

Table 10: Good governance pillars according to the ADB



Source: my own representation based on the official ADB definition of good governance⁸.

Good governance, as interpreted by the ADB (1995, p. 21), rests on four principles according to which authority and power have to be exercised: accountability, participation, predictability, and transparency.

⁸ Retrieved on 24 February 2012 from: <http://www.adb.org/themes/governance/overview>

In like spirit, the UNDP (1997, p. 4) considers the following to be characteristics of good governance: participation, rule of law, transparency, responsiveness, consensus orientation, equity, effectiveness and efficiency, accountability, and strategic vision.

Table 11: The principles of good governance according to the UNDP

Participation	All men and women should have a voice in decision-making, either directly or through legitimate intermediate institutions that represent their interests. Such broad participation is built on freedom of association and speech, as well as capacities to participate constructively
Rule of law	Legal frameworks should be fair and enforced impartially, particularly the laws on human rights
Transparency	Transparency is built on the free flow of information. Processes, institutions and information are directly accessible to those concerned with them, and enough information is provided to understand and monitor them
Responsiveness	Institutions and processes try to serve all stakeholders
Consensus orientation	Good governance mediates differing interests to reach a broad consensus on what is in the best interests of the group and, where possible, on policies and procedures
Equity	All men and women have opportunities to improve or maintain their well-being
Effectiveness and efficiency	Processes and institutions produce results that meet needs while making the best use of resources ⁹
Accountability	Decision-makers in government, the private sector and civil society organizations are accountable to the public, as well as to institutional stakeholders. This accountability differs depending on the organization and whether the decision is internal or external to an organization
Strategic vision	Leaders and the public have a broad and long-term perspective on good governance and human development, along with a sense of what is needed for such development. There is also an understanding of the historical, cultural, and social complexities in which that perspective is grounded

Source: UNDP, (1997, p. 4). *Governance for sustainable human development*. New York⁹

⁹ Retrieved on 24 February 2012 from <http://gis.emro.who.int/HealthSystemObservatory/Workshops/WorkshopDocuments/Reference%20reading%20material/Literature%20on%20Governance/GOVERN~2.PDF>

The IMF considers governance good when the governance arrangements of a society ensure “transparency of government accounts, the effectiveness of public resource management, and the stability and transparency of the economic and regulatory environment for private sector activity” (IMF official website¹⁰).

For the WB (1997a), good governance can be broken down into six dimensions and exists when the power and authority arrangements in a society rest on the principles of: voice and accountability, political stability, government effectiveness, regulatory quality, rule of law, and control of corruption (WB official website)¹¹.

2.2.8 Governance as indicators

How to measure governance and, more specifically, how to assess whether a governance arrangement is good or bad? Several options are presented in the literature.

Kaufmann, Kraay & Zoido-Lobaton (also referred to as KKZ) are among those scholars who have most influenced the research on this topic. Their indicators are currently used by the WB and much of the literature refers to them. They include

the process by which governments are selected, monitored and replaced; the capacity of the government to effectively formulate and implement sound policies; and the respect of citizens and the state for the institutions that govern economic and social interactions among them (WB official website¹²).

From this position, the authors are able to develop a range of cross-country indicators that can be used to evaluate the various dimensions of governance¹³.

Table 12: KKZ governance indicators

Process by which governments are selected, monitored, and replaced	Capacity of the government to formulate and implement sound policies effectively	Respect of citizens and the state for the institutions that govern economic and social interactions among
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¹⁰ Retrieved on 24 February 2012 from <http://www.imf.org/external/pubs/ft/exrp/govern/govindex.htm>

¹¹ Retrieved on 24 February 2012 from http://info.worldbank.org/governance/wgi/mc_countries.asp

¹² Retrieved on 24 February 2012 from <http://info.worldbank.org/governance/wgi/index.asp>

¹³ For the indicators see: <http://web.worldbank.org/WBSITE/EXTERNAL/WBI/EXTWBIGOVANTCOR/0,,contentMDK:20771165~menuPK:1866365~pagePK:64168445~piPK:64168309~theSitePK:1740530,00.html>

		them
1) Voice and Accountability	3) Government Effectiveness	5) Rule of Law
Captures perceptions of the extent to which a country's citizens are able to participate in selecting their government, as well as freedom of expression, freedom of association, and a free media ¹⁴	Captures perceptions of the quality of public services, the quality of the civil service and the degree of its independence from political pressures, the quality of policy formulation and implementation, and the credibility of the government's commitment to such policies ¹⁵	Captures perceptions of the extent to which agents have confidence in, and abide by, the rules of society, and in particular the quality of contract enforcement, property rights, the police, and the courts, as well as the likelihood of crime and violence ¹⁶
2) Political Stability	4) Regulatory Quality	6) Control of Corruption
Measures the perceptions of the likelihood that the government will be destabilized or overthrown by unconstitutional or violent means, including domestic violence and terrorism ¹⁷	Captures perceptions of the ability of the government to formulate and implement sound policies and regulations that permit and promote private sector development ¹⁸	Captures perceptions of the extent to which public power is exercised for private gain, including both petty and grand forms of corruption, as well as capture of the state by elites and private interests ¹⁹

Source: World Bank official website²⁰

In the same spirit, Manasan, Gonzalez and Gaffud (also referred to as MGG) (Manasan et al., 1999, pp. 174–175) have developed jointly with the UNDP a set of indicators, namely: the level “of resource support for human priority concerns;

¹⁴ Retrieved on 24 February 2012 from <http://info.worldbank.org/governance/wgi/pdf/va.pdf>

¹⁵ Retrieved on 24 February 2012 from <http://info.worldbank.org/governance/wgi/pdf/ge.pdf>

¹⁶ Retrieved on 24 February 2012 from <http://info.worldbank.org/governance/wgi/pdf/rl.pdf>

¹⁷ Retrieved on 24 February 2012 from <http://info.worldbank.org/governance/wgi/pdf/pv.pdf>

¹⁸ Retrieved on 24 February 2012 from <http://info.worldbank.org/governance/wgi/pdf/rq.pdf>

¹⁹ Retrieved on 24 February 2012 from <http://info.worldbank.org/governance/wgi/pdf/cc.pdf>

²⁰ Retrieved on 20 February 2012 from <http://info.worldbank.org/governance/wgi/resources.htm>

effectiveness in services delivery; and responsive and transparent decisions” (ibid).

The Global Competitiveness Report (GCR) uses “civil service independence from politics, the competence of public sector personnel, tax evasion (and) the effectiveness of the police force”²¹.

Transparency International privileges a mono-thematic approach to governance, which is the Corruption Perception Risk.

2.3 Framing the concept of governance

In the previous section, we presented leading approaches of governance that can be found in the literature. For the purpose of this thesis, it is time to frame the concept and identify the approach that I will consider in this research.

2.3.1 Summary: the core concepts and approaches of governance

- The concept of governance is applied in multiple fields and has multiple meanings, depending on its context;
- Governance is “a broader notion than government” (working definition of the British Council, as cited in Shema, 2004, p. 10), involving “interaction between the formal institutions and those in civil society” (British Council)²²;
- Governance can be observed from multiple perspectives (e.g., state, civil society, market, etc.); it can be “descriptive” or “normative” (i.e., good governance); it encompasses “formal” and/or informal elements;
- Governance can be conceived “as a means” or “as an end” (e.g., democratic governance);
- Governance is used to depict a structure, i.e., hierarchy, market, network and community (Pierre & Peters, 2000, pp. 14-27);
- Governance is commonly used as a framework to describe a country’s power and authority arrangements (i.e., an analytical framework capable of capturing both formal and informal power arrangements and the relationship among the three systems that are the state, civil society and the market (see, for instance, Loeffler, 2003, pp. 164-165);
- In a normative perspective, governance is qualified as good when the state institutions operate according to specific characteristics such as the accountability of state officials and service providers to customers, stakeholder inclusion in policy making, operation transparency, and state responsiveness to citizens (see, for instance, ADB, 1995; UNDP,

²¹ Retrieved on 24 February 2012 from

http://circa.europa.eu/Public/irc/dsis/acpalamed/library?l=/operation_projects/the_matical_cooperation/governance/seminars_workshops/measuring_governance/background_distributed/governance_institutional/_EN_1.0_&a=d

²² Retrieved on 24 February 2012 from

<http://www.searo.who.int/en/Section1243/Section1255/Section1413.htm>

1997; WB, 1992).

2.3.2 The approach to governance for this research

This research deals with good governance reform in Vietnam, and the object of the analysis is the state and its bureaucratic apparatus: there is no doubt that, besides the fact that citizens and other societal actors have at their disposal new spaces of interaction with the state, what better qualifies the current model of governance in the country is a state-centered perspective. This is also the perspective used in this research.

Moreover, this thesis focuses on the descriptive dimension of governance. This is used to frame the context within which a good governance initiative has become creditable to policy attention, is designed, and implemented.

The objective is not to judge whether governance arrangements in Vietnam are good or bad: the intention is to use governance (operationalized via the formal and informal power arrangements between state and society) as an analytical framework in order to gain an understanding, from an institutional perspective, of the rationale, the choice, the outcomes and the impacts of an initiative that aims at enhancing transparency, responsiveness, and accountability of state actors at local level.

3. Public administration reforms

PAR is a common occurrence in many countries, to the extent that it has “become one of those things that no government can do without” (Lane, 2001, as cited in Ferlie, et al., 2005, p. 656).

It refers, as noted by Brillantes (2001, p. 7), who mentions Caiden (1991), to the “induced systematic improvement of public sector operation performance” or, as Nagel wrote (Nagel, 1994, p. 164), mentioning Samonte (1970), an attempt to “make the administrative system a more effective agent for social change; a better instrument to bring about political equality, social justice and economic growth – all essential in the process of nation building and development”.

Pollitt and Bouckaert (2004) define public administration reforms as “deliberate changes to the structures and processes of public sector organizations with the objective of getting them (in some sense) to run better” (p. 8) and as “a deliberate move from a less desirable (past) state to a more desirable (future) state” (p. 15).

In the last quarter of a century, two main paradigms have impacted the content of PAR (Cheung & Scott, 2003). The next chapter will first present the NPM model and then the good governance model.

3.1 The New Public Management model

The NPM model is a fuzzy and vague concept to capture. This is because there are no clear and unanimous definitions; it is also because it presents “a number of facets or ingredients and from one country and time to another the emphasis may vary between these” (Pollitt, 2003, p. 27). What is certain, however, is that the “label now covers all types of public sector reforms, and excludes nothing”

(Bevir et al., 2003, p. 3).

3.1.1 Defining New Public Management

So as to bring some order to this fuzzy concept, Larbi (1999a) suggests that NPM ideas be put into two general categories (p. 13): either they “emphasize managerial improvement and organizational restructuring” or they “emphasize markets and competition”.

These categories, suggests the scholar, “overlap in practice and they should therefore be seen as a continuum ranging from more managerialism at one end (...) to more marketization and competition at the other” (ibid).

Hood (1995, p. 94) argues that NPM is about “lessening or removing differences between the public and private sectors and shifting the emphasis from process accountability towards a greater element of accountability in terms of results”.

Differences notwithstanding, Hood identified seven broad dimensions of NPM, which have since become standard reference in the international reform debate and practice (Hood, 1991, p. 5).

- “Hands-on professional management’ in the public sector”;
- “Explicit standards and measures of performance”;
- “Greater emphasis on output controls”;
- “Shift to disaggregation of units in the public sector”;
- “Shift to greater competition in public sector”;
- “Stress on private sector styles of management practice”;
- “Stress on greater discipline and parsimony in resource use”.

3.1.2 Framing New Public Management reforms

According to Pollitt (1990), NPM is about achieving the “virtuous three Es: economy, efficiency, and effectiveness” (p. 59). Boyne (2003a, p. 214) claims that NPM “public service improvement is a dynamic phenomenon, [that] inherently raises questions of equity, and usually concerned with the performance of multi-organizational networks rather than the achievements of single organizations”.

There is a general understanding in the literature that the NPM emerged because the old and traditional PA, based on the Weberian rational/legal structure, was seen as having failed to live up to expectations (see, for instance, Bartley et al., 2004; Hughes, 1998). As noted by Pollitt and Bouckaert (2000, p. 59), there was a need for something new, “more flexible, fast moving performance oriented form of modern organization”.

As acknowledged by Batley and Larbi (2004, p. 39), referring to the work, for example, of Caiden (1991), governments were in fact seen as “suffering from *bureaupathologies* - characterized by waste, inflexibility, the impenetrability of hierarchy, the rigidity of dense internal rules and unresponsiveness to service users”. In such light, Agere (2000, p. 118) observes that NPM should be considered the attempt to “shift public agencies from an allegiance to the *bureaucratic* (hierarchy and control) paradigm to an acceptance of a *post-*

bureaucratic (innovation and support) paradigm”.

In order to capture the rationality of the Weberian bureaucratic model, it is useful to introduce the clientelism mode of organization, since the former is a response to the dysfunction of the latter.

3.1.3 The patrimonialist / clientelism model

While the concept of patrimonialism was popularized by Weber (1978), it is still much in use to characterize current political systems²³.

Jackson and Rosberg (1982, as cited in Brinkerhoff & Goldsmith, 2002, p. 3) explain that clientelism is “a system of patron-client ties that bind leaders and followers in relationships not only of mutual assistance and support, but also of recognized and accepted inequality between big men and lesser men”.

Brinkerhoff and Goldsmith (2002, p. 3), referring to Kaufmann (1974), note that clientelism features the following elements:

- “The relationship occurs between actors of unequal power and status”;
- “It is based on the principle of reciprocity, that is, it is a self-regulating form of interpersonal exchange, the maintenance of which depends on the return that each actor expects to obtain by rendering goods and services to the other, and which ceases once the expected rewards fail to materialize”;
- “The relationship is particularistic and private, anchored only loosely in public law or community norms”.

As for its public administrative organizational form, the *clientelism* system takes the form of a patrimonialist model. Brinkerhoff and Goldsmith (2002, p. 6) explain that “Weber (1947) coined the phrase patrimonialism to describe situations where the administrative apparatus is appointed by and responsible to the top leader”, in opposition to the legal–rational model, where administration and politics are clearly separated.

According to Brinkerhoff and Goldsmith (2002, p. 6) “patrimonial rule has similarities to the feudal system of lord and vassal”. Nevertheless, as noted by the two scholars, Max Weber (1947) pointed out the difference: “the feudal relationship is more ritualized and regularized, and thus more stable, than the ad hoc arrangements of patrimonialism”.

3.1.4 The bureaucratic ideal type

Weber viewed it as the mode of organization of a society regulated by a rational/legal type of authority (Courpasson, 2003) and thus, as a response to correct dysfunctions created by patrimonialist systems (Brinkerhoff & Goldsmith, 2002).

²³ See, for instance, Brinkerhoff & Goldsmith (2002), Gainsborough (2002a, 2002b, 2003a, 2003b), Schacter (2000)

It is through the adoption of legal–rational practices and values that western countries succeeded in removing “obstacles to economic development, social advancement and political stability that had been inherent in the much less professionalized and systematized practices of government administration in feudal Europe and most other pre modern societies” (Johnson, 1994–2005)²⁴.

The bureaucratic mode of organization is like a “pyramid”, explains Vinelli (1999, p. 22), “where there is an internal division of labor reflected in the precepts of specialization and differentiation”. The rationale of such model is to “bring about efficiency and equity, i.e., to rescue organizations from particularistic demands, corruption and inefficiency” (ibid).

Lynch (1978, p. 260) notes that, according to Max Weber, the ideal-typical bureaucracy features the following elements: “a hierarchy of office, careful specification of office functions, recruitment on the basis of merit, promotion according to merit and performance, and a coherent system of discipline and control”.

Table 13: Bureaucratic model of organization vs. patrimonialist model

Patrimonialist model of organization	Bureaucratic model of organization
<ul style="list-style-type: none"> ▪ Administrators are recruited and promoted as reward for personal connections with political leaders ▪ Administrators can be dismissed for no reason ▪ There is an unspoken hierarchy, with little specialization or specification of output and uncertain reporting channels ▪ The public and private realms are blurred ▪ Administrators supplement their salary with bribes and kickbacks ▪ System is decentralized allowing wide discretion on the job ▪ Administrators’ actions are arbitrary, based on subjective reasoning, and follow ad hoc procedures ▪ Rules are applied with partiality and some citizens get preferential treatment ▪ Verbal agreements are used in government 	<ul style="list-style-type: none"> ▪ Administrators are recruited and promoted in competitive processes that judge their merit and expertise ▪ Administrators can only be dismissed with cause ▪ There is an authorized hierarchy with clear division of labor, specific standards for output and well-defined reporting channels ▪ Important orders are put in writing ▪ The public and private realms are kept separate ▪ Administrators are prohibited from supplementing their salary ▪ The system is centralized with little room for discretion on the job ▪ Administrators’ actions are predictable, based on objective methods, and follow uniform procedures ▪ Rules are applied with neutrality and all

²⁴ Retrieved on 24 February 2012 from:
<http://www.auburn.edu/~johnspm/gloss/bureaucracy>

procurement and sales	citizens receive equal treatment <ul style="list-style-type: none"> ▪ Binding legal contracts are used in government procurement and sales
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Source: Brinkerhoff & Goldsmith (2002, p. 7), *Clientelism, Patrimonialism and Democratic Governance: An Overview and Framework for Assessment and Programming*, Paper prepared for U.S. Agency for International Development Office of Democracy and Governance, United States.

3.1.5 Public Choice and the criticism against the bureaucratic system

Public Choice scholars “approach the study of organizations with a special focus on problems of control and responsiveness” (Kenneth et al., 2003, p. 6), with the final objective being to analyze “the structural problems of the bureaucracy and their implications for organizational performance” (ibid).

The *Public Choice* body of theories holds that governments basically should be less involved in service provision and that they would have to privatize “public services or their delivery wherever practicable, andreform their own operations in accordance with market concepts of competition and efficiency” (Self, 1993, as cited in Shaw, 2003, p. 2). It assumes, as stated by England (2000, p. 35) that “the market system is inherently a better method for satisfying human wants and aspirations than recourse to governments”.

According to these theories, “human behaviors are dominated by self-interest” (Harding & Preker, 2000, p. 7); moreover, bureaucrats and politicians are “rational utility maximizers” (ibid).

Among the seminal works of *Public Choice* are those of Buchanan and Tullock (1962), Downs (1967), Niskanen (1971), and Tullock (1965). Niskanen asserts that although public managers may have different objectives, for example, “salary, prerequisites of the office, public relation, power, patronage, output of the bureau, ease of making changes and ease of managing the bureau” (Niskanen, 1994, as cited in Wegerich 2001, p. 4), the level of utility of bureaucrats is “positively and continuously associated with the level of the budget” (p. 5).

As noted by Benson (1995, p. 3) according to Niskanen (1971), bureaucrats are the only ones who know the real costs of the outputs and their offices, while the oversight political and hierarchical authorities do not.

Jacobsen (2005, p. 771) points out that according to Niskanen (1971) “bureaucracies are assumed both to have superior bargaining power in reference to politicians, granted to them by their monopolistic situation”. Referring to Douma and Schreuder (1988), Jacobsen (2005, p. 771) adds that bureaucrats also benefit from “the possibility of using the power of asymmetric information to hide information from political authorities both before and after decisions are made”. Under such conditions, explains Larbi (1999b, p. 4) presenting Niskanen, this will promote “the growth and expansion of governmental functions that then become oversupplied and over-extended”.

Krause and Meier (2003, p. 7) explain that according to Downs (1967) “individual bureaucrats have different preference structures, thus making effective

coordination and policy-making difficult. (...) communication channels in bureaucratic organizations will be muddled and will lead to performance distortions” (ibid).

Referring to Tullock (1965), Krause and Meier (2003, p. 6) additionally point out that “agency efforts to tackle information flow problems within organizations are essentially unproductive since *authority leakages* are both inevitable and cumulative”.

3.1.6 Market-, government-, and policy failures

A second attack against the bureaucratic system of governance came from those scholars who challenged the idea that state intervention required correcting market failures (Bovaird & Loeffler, 2003).

Market failures is about “the inability of the economy to achieve Pareto-efficient allocation” of resources (Howard, 2001, p. 3), that is, a situation in which voluntary exchanges, which would lead to an efficient outcome in a perfectly competitive economy, “fail to exist or are contravened in one way or another” (Brown & Jackson, 1990, p. 12). Without corrective intervention by the state, the market will not produce spontaneously an optimal allocation of resources: “there will be a tendency for too much of some goods to be produced and too little of others. In the extreme case of complete market failure, the market will fail to exist, so that certain goods will not be produced at all” (Needham & Dransfield, 2000, p. 175).

One example of market failure is associated with the outcomes of imperfect competition. Under such conditions, and in order to maximize its profits, the monopolistic provider or cartel has the advantage of producing a quantity of goods which is inferior to the quantity that would maximize the welfare of the collectivity since it allows the monopolistic provider to sell its products at a higher than optimal price (Stiglitz, 1986).

Imperfect competition is not the only cause of inefficient resource allocation: other economic situations that lead to market failures are public goods, externalities, monopoly, scale and risk, and imperfect information. These failures then may justify state intervention in order to assure efficient allocation of resources (Krugman & Wells, 2009).

The assumption of governance by the market rests upon the proposition that state intervention, instead of correcting market failures, increases resources misallocation and market distortions (Bovaird & Loeffler, 2003). The justification for state intervention is thus swept away by the new ideas that failure also exists in government (“government failure”) and in policy (“policy failure”) (Jackson, 2003, p. 30): as Musgrave puts it, the state is “flawed” (Musgrave, 1998, as cited in Jackson, 2003, p. 30).

In such context, it is imperative to introduce into state management those mechanisms that exist in a market environment (i.e., deregulation, contractualism, and privatization arrangements), the objective being to fix policy and state failures by market mechanisms (Pierre & Peters, 2000).

3.2 The good governance model

Good governance is the second model of reform that has inspired initiatives aimed at changing the way the PA operates. While NPM has dominated the intellectual scene and profoundly influenced practices on the ground both in developed and developing countries from the late 1970s until the mid-1990s, in the last decade the good governance model, has become the model of reference for most actors involved in state apparatus reforms (Bovaird & Loeffler, 2003).

3.2.1 Good governance and public administration reforms

The central idea of good governance reforms rests on the principle that “institutions matter” (Burki & Perry, 1998, p. 7) and therefore, the state does play a pivotal role in economic and social development.

This renewed interest in the state has come with the recognition of the success of the state-led development of the Asia NIC, notes Fritz and Menocal (2006, p. 3), who mention the work of Amsden et al., (1994): such experience, note the scholars, “served to highlight the fact that even market based economies require functioning capable states in order to operate and grow”. As explained by the two scholars, the process of re-recognizing the role of the state has also gone hand-in-hand with the re-evaluation of the role of institutions. Referring to North (2006), they note that such process has invalidated the previously held assumption that “institutions arise almost effortlessly and as a by-product of economic growth”: on the contrary, conclude the authors, “improvements in institutions are essential preconditions and determinants for growth” (Fritz & Menocal, 2006, p. 3).

Table 14: Key forces leading to governance reforms

<p>Political</p>	<ul style="list-style-type: none"> ▪ New political and social movements in many countries—and internationally—which contest the neo-liberal world view, especially in relation to world trade, the global environment and attitudes to civil liberties ▪ Changing expectations, fuelled by globalization (particularly through tourism and the mass media) about the quality of services which governments should be able to deliver, given what is currently available in other countries ▪ Changing expectations about the extent to which public services should be tailored to the needs of individual citizens ▪ Increased insistence by key stakeholders (and particularly the media) that new levels of public accountability are necessary, with associated transparency of decision making and openness of information systems ▪ (...)
<p>Economic/ financial</p>	<ul style="list-style-type: none"> ▪ Decreasing proportions of the population within the 'economically active' category as conventionally defined, with knock-on effects on household income levels and government tax revenues ▪ Economic boom of the 1990s in most OECD countries and many other parts of

	<p>the world, generally producing rising tax revenues for governments</p> <ul style="list-style-type: none"> ▪ Increasing (or continuing) resistance by citizens to paying higher rates of tax to fund public services ▪ Weakening roles of trade unions as labor markets become more flexible ▪ (...)
Social	<ul style="list-style-type: none"> ▪ Traditional institutions such as the family and social class have changed their forms and their meanings in significant ways, so that old assumptions about family behavior and class attitudes can no longer be taken for granted in policy making ▪ Traditional sources of social authority and control—police, clergy, teachers and so on—are no longer as respected or influential as previously ▪ Changing perceptions about the minimum quality of life for certain vulnerable groups which is acceptable, especially in relation to child poverty, minimum wages for the low paid, and the quality of life of elderly people ▪ (...)
Legal/ legislative	<ul style="list-style-type: none"> ▪ Increasing influence of supra-national bodies (e.g., United Nations (UN), WB, IMF, World Trade Organization (WTO), European Union (EU) in driving legislative or policy change at national level ▪ Legal challenge in the courts to decisions made by government, citizens, businesses, and other levels of government

Source: Bovaird, T. & Loeffler, E. (Eds.). (2003, pp. 14-16), *Public Management & Governance*. London: Routledge

Along the same line, some influential views (see, for instance, Burki & Perry, 1998; Hilderbrand & Grindle, 1994; WB, 1997a, 1999) support the idea also that those countries that best perform in terms of development outcomes (for example, measured in terms of the Human Development Index) feature specific characteristics. These are: (Hilderbrand & Grindle, 1994)²⁵:

- “They (...) are authoritative in the sense that they concentrate sufficient decision making power to respond effectively to public issues”;
- “They are intelligent, in the sense that they are open to and encourage the use of technical information and analysis in decision making and problem solving”;
- “They (...) respond flexibly to rapidly changing domestic and international conditions and demands so that national goals are protected and achieved”;
- “They (...) are participatory in the sense that they encourage debate,

²⁵ Retrieved on 24 February 2012 from:
<http://mirror.undp.org/magnet/cdrb/parti.htm>

discussion, and participation in decision making”;

- “They are (...) accountable in the sense that those who are responsible for making and implementing decisions and those who manage public sector organizations are held responsible for their actions and citizens have avenues to redress abuses of power;”
- “They are (...) able to go beyond concern with specific problems and their solution to develop systems, processes, and cultures that help ensure wise public choices and responsible use of resources”.

Since the state and institutions lie at the heart of the good governance agenda, the overall international development strategy tends to focus on “building state capacity” (Heredia & Shneider, 1998, p. 1). Based on this rationale, international organizations have increasingly adjusted their aid strategies based on the abovementioned principles both as aid conditionalities (i.e., financial and technical support is conditional upon fulfilling some basic governance criteria) and as policy objective, strategies which aim to support central and local institutional and capacity building (Santiso, 2001a, 2001b).

Translated into operational programs, the good governance agenda often includes some of the following measures, that range from strengthening policy capacity (i.e., rationalization of decision-making process, enhancement of policy stakeholder participation, etc.), to promoting administrative capacity building at organizational-, process-, and human resource levels, and institutional reforms, with the objective of making the state more transparent and accountable to citizens (Schacter, 2000).

Table 15: A typology of good governance reform

<p>Administrative capacity building</p>	<ul style="list-style-type: none"> ▪ Organizational restructuring and renewal, including strengthening of the capacity to be more responsive to the needs and preferences of citizens ▪ Strengthening of linkages between government agencies, including strengthening the capacity of line departments to interact with one another and with central agencies ▪ Improving the quality of human resources through training and recruitment ▪ Addressing management problems related to employee performance management, wage and non-wage incentives, irrational job classification systems, and ineffective payroll and personnel systems
<p>Strengthening policy capacity</p>	<ul style="list-style-type: none"> ▪ Rationalizing and standardizing the decision-making process, improving the flow of policy relevant information ▪ Strengthening capacity for policy analysis, implementation, monitoring and evaluation
<p>Institutional reform</p>	<ul style="list-style-type: none"> ▪ Strengthening institutions and procedures that act as an accountability

	<p>check on the executive, such as the judiciary, independent oversight bodies, and rules related to public access to information</p> <ul style="list-style-type: none"> ▪ Civil service codes of conduct and strengthened safeguards concerning public procurement
(...)	<ul style="list-style-type: none"> ▪ (...)

Source: Schacter. M., (2000, p. 6), *Public Sector Reforms in Developing Countries: Issues, Lessons and Future Directions*, Paper prepared for the Canadian International Development Agency (CIDA), Canada

3.3 A critical review of public administration reform

This section presents the main critical approaches to public administration (including good governance) reforms found in the literature.

3.3.1 Expected outputs vs. results: the missing link

The discrepancy between the expected outcomes of reforms and the actual result is one of the most discussed topics in PA literature (see, for instance, Boyne, 2003b; Pollitt & Bouckaert, 2004; Monteiro, 2002; Schacter, 2000). The results of PAR range from very pessimistic to a position of moderate caution.

For instance, Pollitt & Bouckaert (2004), after reviewing the results of over twenty years of PAR in twelve western countries, observe that while “there is utopian quality to some of the political rhetoric around reforms” (p. 103), “it would take a giant dose of cynicism to arrive at the conclusion that nothing has changed and that the productivity of specific organizations has remained static” (p. 139).

Less encouraging are the conclusions of Boyne (2003b). The researcher has reviewed 65 empirical studies in relation to PAR, which deal with issues such as agencies reorganization, economic and administrative decentralization, changes in the regulation environment, and management improvement. The conclusions are:

- There is no significant support for the proposition that “more resources lead to better services” (p. 374);
- “The evidence on regulatory arrangements [concerning the quality of public services] is clearly sparse, weak and incomplete” (p. 379);
- “The evidence of the impact of competition on service performance is very mixed”. Furthermore, “the effects of market structure do not vary systematically with whether competition is between public agencies or between public and private providers” (ibid);
- “Although the body of evidence is small and incomplete, it suggests that managerial variables make a difference to service performance” (p. 385). This has been observed in over half the projects assessed.
- There “is consistent support for a positive relationship between centralization and service performance” (p. 388);

When we turn our attention toward developing countries, the record seems to be even more deceptive. Monteiro (2002), for instance, observes that reformers are obliged to face the reality of clearly disappointing reforms efforts. He refers to a WB survey conducted in 1999 of 124 reforms projects instituted since 1980 in 32 countries: two out of three projects were assessed as “unsatisfactory and even where positive results were identified, there were no guarantees of sustainability beyond the project” (Monteiro, 2002, p. 4).

The same point has been expressed by Schacter (2000): “public sector reform has produced little to cheer about” (p. 7).

3.3.2 Good governance and “embedded autonomy”

One of the most virulent criticisms against the good governance model comes from the concept of “embedded autonomy”. This concept comes from Evans (1995). The author explains the success of the Asian Newly Industrialized Economies as being the result of the combination of several characteristics, among them the fact that the bureaucracies of these countries have had the opportunity to operate unconstrained by special interest (autonomy) and that, at the same time, those same bureaucrats were part of a dense set of informal social networks (embedded) that bound them to the private sector (Evans, 1995).

As pointed out by the author, under such arrangements, bureaucrats are not “insulated from society as Weber would suggest they should. To the contrary, they are embedded to a concrete set of social ties that binds the state to society and provides institutionalized channels for the continual negotiation and re-negotiation of goals and policies” (Evans, 1995, p. 12).

It is clear that the embedded autonomy represents a different path to development and is, to some extent, an alternative to the positions of those who advocate that development and economic growth be achieved by restraining the room to maneuver of the state and its bureaucracy through greater civil society involvement in policy making and tighter mechanisms of control and accountability of state officials and agencies (Fritz & Menocal, 2006, p. 8).

3.3.3 The “good enough governance” model

A second popular criticism against the good governance model has been advanced by Grindle with the idea of “good enough governance”. Grindle (2002) puts forward the theory that the good governance “agenda is far too long for the governments of poor countries to approach with clarity, commitment, or reasonable expectations” (p. 11).

While not contesting the intrinsic value of managing a country’s resources according to good governance principles, Grindle (2002) asserts that recipient countries in most cases do not have the financial-, institutional-, political-, or technical capabilities to implement such ambitious measures. It is in such spirit that the author wonders whether there is “anything that can be done to make it less overwhelming, less additive, more strategic, and more feasible” (p. 13).

Grindle (2002) proposes a new agenda, the Good Enough Governance, which, contrary to the good governance agenda, would have a more pragmatic

approach. This would include setting priorities according to contextual realities, domestic capacities and institutional feasibility, a greater concern for incremental and progressive change, explicitly accepting trade-offs (e.g., some state capture may be tolerated to achieve development goals) and finally, “no normative commitment to any particular political regime” (Fritz & Menocal, 2006, p. 6).

3.3.4 Formal vs. informal institutions & public vs. private

Mainstream approaches to reforms embody a strong practical and ideological preference for formal institutions and procedures (see, for instance, the WB and other international organizations). However, informal practices and relations play a major role at all levels of the public realm in any country.

As observed by Monteiro (2002), public sector reform concerns formal institutions (i.e., bureaucracies, the Legislative, the Executive, state owned enterprises, etc.), whereas “traditional forms of societal organization are based on informal rules and relations” (p. 7). By dealing with formal institutions alone, PAR, asserts the author, neglects critical practices and institutions that have a profound influence on domestic governance issues.

Moreover, in the good governance perspective, the state is one among three systems (together with civil society and the market) that are expected to strategically cooperate in order to overcome the weakness of each individual system (Rhodes, 1997, as cited in Ferlie et al., 2005, p. 433) and thus deliver higher social uplift and policy outcomes.

Along the same line, Hirschmann (1999) suggests that the novelty of good governance is that governance outcomes are not expected to be achieved by *supply*, i.e., it is not expected of “the state and the bureaucracy to become accountable of their own accord, but by *demand*”, which rests upon the idea that “civil society builds the capacities and skills to press government to be accountable for its actions” (p. 301).

In these two examples, civil society and the state appear as being both partners and competitor agents of change, assuming a clear distinction between them. Migdal (2001) and Migdal et al., (1997) alert us to the fact that this assumption brings back a Weberian ideal type of state. Painter (2005, p. 267), referring to Migdal (2001), notes that a more realistic interpretation should view the “state as a set of institutions embedded in and inter-penetrating wider social and political groups”.

In the same spirit, Fforde and Porter (1995) note that the dominant view erroneously holds “that civil society is a sphere of life that arises in reaction to, and needs fostering in opposition to, the predatory and monolithic state” (p. 3). The authors go on to suggest that we should take seriously the scholars on civil society who warn us against idealizing the “concept and loading it with the virtues of freedom, equality, and liberty from the state” (p. 6): civil society should be considered as “a realm of association interpenetrated by the state” (Kumar, 1993, as cited in Fforde & Porter, 1995, p. 6).

3.3.5 Universality vs. governance values

The cultural dimension of development and of state reforms has been largely

debated in the literature (see, for instance, UN, 2001). An example of the questioning related to the universality of values associated with the good governance agenda is illustrated by the debate opposing western to Asian values.

While good governance is considered to be embedded in western values as it promotes transparency, accountability, participation, and an emphasis on private sector, Boll (2001)²⁶, mentioning the work of Han (1999), notes that “Asian values have been defined as putting emphasis on a consensual approach, communitarianism rather than individualism, social order and harmony, respect for elders, discipline, a paternalistic State and the primary role of government in economic development”.

Cheung and Scott (2003) alert us to the fact that governance systems (i.e., the state, the market, and civil society) are culturally and sociologically constructed arenas in which players and institutions interact, and that they are not detached from politics and the dominant values of society. In such light, suggest the two scholars, arrangements (e.g., accountability and participatory mechanisms) between the three governance systems – the state, the market and civil society – need to be envisioned, developed, and understood in the light of context-based conditions and factors.

3.4 Conclusions : good governance in a political perspective

For the conclusion of this part, dedicated to a critical review of public administration reform, it is important to stress that politics is crucial if one wants to understand reforms rationale, outcomes, and impacts.

Grindle (2001) warns us that too often “politics is treated as a negative input into policy decision-making” (p. 370). This perception, notes Stone, is not sufficiently adequate to capture the fact that the “essence of policy making (...): [is] the struggle over ideas” (1989, as cited in Santiso, 2002, p. 22).

Let us, for instance, take the example of the World Bank. This institution defines governance as “the manner in which power is exercised in the management of a country’s economic and social resources for development” (WB, 1992, p. 1). As asserted by McCarty (2001a), “the implication that the manner can be improved without changing the relative balance of power between interest groups is hardly defensible” (p. 2). Pressure toward increased involvement of people in policy-, program-, and project decision-making processes involve a shift in authority, control, and resources, and, as Grindle (2005) reminds us, it is all about politics!

Another interesting example is illustrated by Hirschmann (1999, p. 288): he points out that in a policy context, different stakeholders simultaneously play different roles. For instance, with regard to PAR, bureaucrats are (i) the “object” of the reforms (reforms have consequences on a bureaucrat’s environment, resource, and power), (ii) the “subject” (bureaucrats can alter the trajectory of reforms), and finally, (iii) a “medium” of reform implementation (“they are used to implement the reforms”).

²⁶ Retrieved on 24 February 2012 from:
<http://www.icrc.org/eng/resources/documents/misc/57jqzl.htm>

This typology is useful because it allows one to understand that conventional approaches to PAR tend to focus exclusively on the third role played by bureaucrats (i.e., implementation agents). This is noticeable in the emphasis given, for example, by donors when they maintain that PAR is about building state capacity (WB, 1997a), where the underlying idea is to strengthen state capacity so that policy can be implemented effectively and efficiently (ibid). While this is a valuable perspective, this approach emphasizes exclusively the technical dimension of the reform, considering bureaucrats as a neutral beneficiary group of the capacity building effort.

This view, stresses Hirschmann, (1999, p. 289) underplays “the bureaucracy’s role as stakeholder, with core economic interests and status concerns in the implementation and outcomes of programs”.

PART III – CONCEPTUAL GENERAL FRAMEWORK

This third part presents key concepts and the general analytical framework of the research. The operationalization of these concepts is meant to construct the general framework designed to guide the answers to the 4 research questions.

It ambitions to make sense of why OSS was initiated (policy rationale), why the reform at hand was designed as such (policy choice), how OSS outcomes on the ground can be explained, and finally, what the potential impacts are of such policy outcomes for the political Vietnamese environment.

Each section ends with a summary of core notions useful for the construction of the frameworks.

1. Key concepts for the research

The key questions of this research seek to explain good governance reform via the analysis of the system of governance of a country, using as case study a reform in the domain of services delivery in Vietnam. The relation between the system of governance and the reform is dual, and this raises several research issues.

Firstly, the initiative at hand concerns the implementation of OSS structures, whose objective is to change formal institutional arrangements in the domain of PA services delivery through the enhancement of pro-good governance mechanisms.

As the level of analysis of this research is aimed at institutions (as opposed to that at individual or organizational level), the issue concerning to which extent the new institutional arrangement is successfully implemented, i.e., the extent to which the new institutional arrangements are absorbed by the current political setting, is highlighted.

Secondly, institutions in turn frame the conditions under which the diverse stakeholders position themselves with respect to each other and to the initiative at hand: institutions shape actors' preferences and behaviors, as well as provide resources, constraints, and opportunities for action. This supports the question of the effect of institutions on stakeholders' room of maneuver, since stakeholders have divergent and conflicting interests regarding the reform, depending on "where they sit"²⁷.

Finally, institutions also need to be considered as the product of a given governance setting (and more precisely, as I discuss later in this part, a product of a given political regime). The contextualization of the institutional analysis at the institutional level aims at examining how the "rules of the game" (North, 1990, p. 3) that frame stakeholders' room of maneuver vis-à-vis the reform have been crafted by power holders and what their goal is with respect to the

²⁷ See Allison's (1961) renowned statement "*where you stand depends on where you sit*" (Allison, as cited in Tansey, 2004, p. 217)

institutional reforms proposed. Shanks et al., (2004, p. 2), mentioning the work of Bratton & van de Walle (1997), note that a political regime defines the “procedures that determine power distribution within a political space”; therefore, institutions need to be considered as the product of such governance setting.

Put differently, if PAR is about reshaping the divide between state and society in a way so as to redefine, institutionally speaking, “who gets what, when and how” (Jayasuriya & Rodan, 2007, p. 775), then this raises questions concerning how this divide is institutionally structured, what the political rationale that explains its existence is, as well as the content and nature of this divide and the political rationale behind the need to redesign such divide.

1.1 Institutional approaches

North defines institutions (1990, p. 3) as “the rules of the game in a society or, more formally, are the humanly devised constraints that shape human interaction. In consequence they structure incentives in human exchange, whether political, social, or economic” (ibid).

According to Rafiqui (2004) “institutions help to reduce uncertainty in the daily life of the individual and to structure human activity into lasting or repeated patterns of action” (p. 4). Mentioning the work of Eriksson (1998), the scholar adds that institutions “constitute social rules - as opposed to personal rules - that prescribe individual behavior to recurrent interaction problems between human beings” (Rafiqui, 2004, p. 4).

Institutions might operate at different levels (i.e., grassroots, local, regional and international) and can be formal and informal. Examples of formal institutions include Constitutions and laws, formal voting systems, grades of hierarchy, etc. Informal institutions comprise customary rights, patronage networks, hierarchies based on race, gender, ethnic identities, family, and community, etc. (Mansuri & Rao, 2004).

Institutional analysis is concerned with the analysis of the relationship between actors and institutions (Shepsle, 1989), and more precisely “how institutions shape political behaviors and outcomes” (Kato, 1996, p. 556).

Literature talks of a difference between old and new institutionalism; within new institutionalism, one can further distinguish three main approaches: sociological, historical, and rational choice institutionalism (Koelble, 1995).

The new institutionalism stream emerged in “reaction to the behavioral revolution in political science during the 1960s and 1970s” (Barzelay & Gallego, 2005, p. 4). While old institutionalism rested on the assumption that formal rules, procedures, and organizational arrangements could provide adequate explanations for political behaviors (Kato, 1996), behaviorists put forward the idea that political behavior and the source of political power are also derived through informal relationships.

New institutionalism, regardless of its diverse forms, considers the actors as being “institutionally situated” (Bell, 2002, p. 5). Institutions, adds the scholar, “provide actors with opportunities and constraints” They are important also because they provide actors with “a set of behavioral incentives and disincentives, with [a] set of normative and ideational codes which shape not

only behavior but also preference, resources and power” (ibid).

1.1.1 Rational choice institutionalisms

Rational choice institutionalisms is the theoretical stream that most influences the analytical framework of this research (see for instance Ostrom, 1998). It concerns the incentives and enforcement mechanisms provided by a given governance setting which enable specific types of collective actions (Peters, 2000a).

The rational choice institutionalists consider institutions “arrangements of rules and incentives, and the members of the institutions behave in response to those basic components of institutional structure” (Peters, 2000a, p. 3). Individuals behave under bounded rationality; they are rational, pursuing “their interests and following their preferences within political institutions, defined as structures of incentives, according to a logic of calculation” (Schmidt, 2010, p. 1).

As stated by Schmidt (2010), the “deductive nature of this approach to explanation makes it good at capturing the range of reasons actors would normally have for any action within a given institutional incentive structure as well as at predicting likely outcomes” (p. 3).

The idea that individuals act in a bounded manner refers to Herbert Simon’s concept of *bounded rationality*, which informs us that an “individual’s rational behavior is cultivated and promoted” (Kato, 1996, p. 554) in the context within which he operates.

Rational choice and institutional change

Levi (1990, pp. 407) argues that institutions change when “there is an increase in the effectiveness of individuals seeking change and a decrease in the blocking power of individuals whose interests are served by the current institutional arrangements”. Referring to her, Koelble (1995, p. 241) explains that “institutional analysis needs to pay attention to the power of decision makers to provide benefits, sanctions and incentives for other to cooperate with them and the monitoring devices used to oversee potential noncompliance” (ibid).

Gilligan (1994), mentioning the work of Knight (1992), notes that “institutions reflect social conflict among actors with different and incompatible goals” and are the “product of the efforts of some to constrain the actions of others with whom they interact” (Knight, 1992, as cited in Gilligan, 1994, p. 296). Institutions, adds Gilligan still referring to Knight (1992), are “simply instruments of those in superior bargaining positions”, further adding that “conflict and the extension of bargaining asymmetries are of primary importance for understanding institutional change” (ibid).

Theesfeld (2005, p. 3), referring to Knight (1992), points out that “different actors are characterized by different payoffs” and the interaction among actors “creates stabilized expectations and common knowledge (...). Under these conditions, a selfenforcing informal institution can be established”.

Finally, in the light of Knight’s work (1992), Theesfeld adds that “the bargaining power of the actors is a function of their resource provision”, thus “when either the relative bargaining power changes (...) or the distributional consequences (...), institutional change will emerge once again, and institutions will be adapted

to the currently prevailing power distribution” (p. 3).

With reference to the work of Ostrom (1990 and 1991), Schlager and Blomquist (1996, p. 653) explain that actors’ strategies “are guided by their perceptions of the expected benefits and costs” of their actions. The things that condition actors’ strategies are: (i) “the institutional arrangements – rules that define the actions that are permitted, required or forbidden, (ii) the attributes of the physical environment being acted upon, and (iii) the characteristics of the community within which action is proceeding” (ibid). However, “since actors cannot readily change the characteristics of the community or the attributes of the world, they direct their efforts to realizing their preference, and improve their situation by changing the institutional arrangements”.

The two scholars, mentioning the work of Ostrom (1991), point out that actors take actions within the existing institutional context, but by turns are also “able to establish and modify the rules”. This circularity is explained by the scholar using “the concept of levels of action”. These levels are (Schlager & Blomquist, 1996, pp. 654-655):

- Operational-level action, “having to do with the direct actions of individuals in relating to each other and the physical world”. These actions are taken within the existing institutional arrangements;
- Collective-choice actions, “the level at which individuals establish the rules that govern their operational-level actions” (these actions are meant to modify the rules, and they determine who is eligible as well as the precepts to be used in changing operational rules);
- Constitutional-level actions, “the level at which individuals establish the rules and procedures for taking authoritative collective decisions”. They affect the collective-choice level and results, by determining who is eligible as well as the precepts to be used in changing collective-choice rules.

Schlager and Blomquist (1996, p. 654) explain that “the same actors can move between these three levels of action”: if the rules of the operational level are not convenient, they attempt to modify the collective- and constitutional-level actions in a way “that make their preferred outcomes more likely and dispreferred outcomes less likely” (Schlager & Blomquist, 1996, p. 654).

These three levels are also characterized by diverse aptitudes toward change. At the operational level, institutions are exogenous in the decision-making process (Kingston & Caballero, 2008). The *rules of the game* at the operational level are the easiest to change in terms of pace and constraints. As we move to the second and third levels, rules and norms are more resistant to change (Schlager & Blomquist, 1996).

Change can be top-down or bottom-up driven. In the former case, “processes of change at the operational level can also induce changes at deeper levels when (...) enough pressure for change is exerted by agents and conditions favor such change” e.g., degradation of key resources (Florensa, 2002, p. 12). On the other hand, “changes at the constitutional level can also lead to changes at the lower levels of the rules configuration (collective choice and operational levels)” (ibid).

Florensa (2002) notes that institutional change can also be triggered by “active

attempts from participants to introduce changes in the institutional structure when the evolution of the existing institutions has led to a *mismatch* or a tension between both the individuals' expectations and the conditions they face" (p. 7).

Moreover, "institutions, as well as the individuals that create them, are constantly adjusting to their external and internal environments", (Jones, 2001, as cited in Florensa, 2002, p. 6) which mutually "interact in complex and uncertain ways". While rational choice institutionalism recognizes that actors act in order to define their institutional environment in a way that best fits their interests, institutions are exposed to exogenous and endogenous pressures.

Some examples of change agents from the external environment are (Florensa, 2002, p. 7): "new policy designs at different scales; changes in the regulative system at upper levels; physical changes; changes in the broad political, social and economic context (technological, demographic, cultural)".

Examples of changes in the internal environment are: "initiatives or deliberated attempts in response to a tension or inconsistency between existing conditions and institutions; ideological innovation within the institutional context; internalization of rules, norms, values; evolution of the internal structure of the institution", etc. (Florensa, 2002, p. 7).

Endogenous and exogenous pressures may lead to a situation in which there are two sorts of institutional tensions: firstly, between an individual's expectations (and the conditions they face) and the institutional structure (operational, collective choice, and constitutional norms); secondly, between each level of the institutional structure, i.e., between the operational level, the collective choice level, and the constitutional level (Florensa, 2002).

When discussing institutional change, Moe's (2005) theoretical insights are highly useful for this research. First of all, the author points out that institutions are the product of the exercise of power; as such, institutions are designed by power holders with the objective of serving their interests. For instance, democratic institutions are created and designed using public authority employed by the political forces that gain the necessary support in the legislature (Moe, 2005): "whoever wins has the right to make decisions on behalf of everyone, and whoever loses is required, by law - backed by the police power of the state - to accept the winner's decisions" (p. 218).

By using their power, i.e., (i) "the power to create rules or modify old ones; (ii) the power to make decisions about how a particular resource or opportunity is to be used; (iii) the power to implement and ensure compliance with the new or altered rules; and (iv) the power to adjudicate disputes that arise in the effort to create rules and ensure compliance" (Agrawal & Ribot, 2000, p. 6), any "groups that prevail under the formal rules can legitimately use public authority to impose institutions that are structurally stacked in their own favor, and that may make [the loser] worse off" (Moe, 2005, p. 218).

Rational choice institutionalism has been proven to be informative in the analysis of interactions between actors as well as organizations. As stressed by Koelble (1995), "if we are concerned with bargaining and exchange relations within bureaucracies and organizations, rational choice institutionalists offer very useful analytical tools" (p. 242).

In addition to rational choice institutionalism, two other institutional schools provide useful theoretical insights that complete the rational choice model, thereby enabling us to understand how institutions change. These are historical and sociological institutionalism.

Historical institutionalism and institutional change

Historical institutionalists recognize that individuals attempt to calculate their interests; they are rational and act in a bounded manner, and what shapes institutions is the interaction among stakeholders whose preferences have been shaped by the institutional historical record (Bell, 2002, p. 7).

Historical institutionalism suggests that the path chosen in the development of an institution (consisting of rules, regulations, shared beliefs, and social-, political- and economic rules) depends, also, on its institutional heritage and historical legacy (Bell, 2002).

It is important to stress that this school of thought is not “a theory in search of evidence”, reason why “historical institutionalists do not argue that institutions are the only important variables for understanding political outcomes” (Steinmo, 2001, p. 571). “Quite on the contrary”, adds Steinmo (2001), given that institutions are considered only as “intervening variables (...) through which battles over interest, ideas and power are fought” (ibid).

Historical institutionalism is often used by those scholars who attempt to explain why, despite similar challenges, incentives, and constraints, different countries end up with different outcomes. For instance, Pollitt & Bouckaert, in their book *Public Management Reforms* (2004), attempt to develop typologies and theories which explain specific patterns and trends in PAR in western countries. They conclude

Although fairly catholic in our approach to theory (...) we find that institutionalist explanations carry considerable power (...) Sometimes quite distant historical compromises are found still inscribed upon the face of our constitutional and institutional order. In this limited sense, we are probably closer to a mildly constructivist historical institutionalism than to either rational choice or the more strongly constructivist sociological institutionalism (Pollitt & Bouckaert, 2004, p. 23).

Sociological institutionalism and institutional change

The sociological institutionalisms stream argues that individuals also act in a bounded rational manner, but that what determines their preferences are institutions which are the reflection of cultural-, socio-economic-, and political structures. March and Olsen (1984, p. 741) explain, in fact, that “actors associate certain actions with certain situations by rules of *appropriateness*”.

Koelble (1995, p. 233), mentioning March & Olsen (1989), explains that sociological institutionalism defines institutions as “rules of conduct in organization, routines and repertoires of procedures”. This definition, points out Koelble referring to Perrow (1986), reflects “Weber’s view of organization as constructs designed to distribute rewards and sanctions, and to establish

guidelines for acceptable types of behaviors” (p. 233). In the view of March & Olsen (1989), concludes Koelble, “institutions come about to give legitimacy to certain rules of conduct and behavior which concern power relations and the establishment of social and cultural norms” (ibid).

Koelble (1995, p. 234) also presents the definition of institutions of DiMaggio and Powell (1991). According to the two scholars, explains Koelble, institutions are “not only rules, procedures, organizational standards, and governance structures, but also conventions and customs”; as such, individuals are largely restrained in their actions since they are “not free to choose among institutions, rules, procedures, and norms” (ibid).

Koelble adds (1995, p. 234), still referring to the work of DiMaggio and Powell (1991), that this school of thought considers actors “inherently conservative; once they establish a routine, they tend to stick with it”. In such perspective, institutions are therefore essentially stable because of “institutional isomorphism” (DiMaggio & Powell, 1991, as cited in Koelble, 1995, p. 235).

Mentioning the publication of DiMaggio and Powell (1991), Koelble concludes by saying that while the change of institutional arrangements may be explained as being the result of external pressures (i.e., pressure to comply with rules and standards, or pressure to copy the structure of other organizations), institutions tend to “adopt surprisingly homogeneous forms” (Koelble, 1995, p. 235). The quest for legitimacy will result in structural homogeneity, tending therefore to inhibit institutional and organizational change.

1.1.2 Summary: the core ideas of institutions useful for this research

- Institutions constitute the context within which “individual rational behavior is cultivated and promoted” (Kato, 1996, p. 554); institutions determine actors’ choices and preferences, and influence them by setting the limits of their actions; they provide incentives, constraints, opportunities, and resources for action (see, for instance Bell, 2002);
- In turn, institutions are the product of the exercise of power; as such, institutions are designed by power holders with the objective of serving their interests (see, for instance, Moe, 2005);
- Institutions frame actors’ choices at three different levels: the operational, the collective choice and the constitutional level (Ostrom, 1990, 1991, as cited in the work of Schlager & Blomquist, 1996, pp. 653-655). All these levels are interrelated, but they also diverge in their propensity toward change, operational norms being the least difficult to change, constitutional norms the hardest and most costly (Schlager & Blomquist, 1996);
- Institution change is neither spontaneous nor conflict-free. Change is difficult because of the influence of past institutions (i.e., historical path), because of mechanisms by which institutions are reinforced (i.e., reproduction and isomorphism that bring about continuity, stability, and legitimacy) and because it implies an alteration of the interaction patterns and the power balance of stakeholders (rational choice institutionalism);

1.2 Power: a multifaceted concept

The word *power* comes from the Latin word *potere*, which means *to be able* (Rodwell, 1996). While the meaning of power has been, and still is, a source of debate among scholars, some interpretations are central to this research. Let us first start with some useful typologies related to power, which can be found in the literature.

1.2.1 “Power over” and “power to”

Literature on power distinguishes several forms of power. Among the most popular are: “power over” and “power to”.

According to the idea of *power over*, power is analyzed as a relationship which enables one individual or a group to impose its will on another. In this approach, power is a “zero-sum” entity, where the empowerment of one person or one group implies the loss of power of others (Rowlands, 1995, p. 7).

This approach to power is used in the analysis of the decision-making process in the context of institutions, organizations, or interpersonal relations (Rowlands, 1995). When Mansuri and Rao (2004) assert that pro-accountability and pro-participation initiatives must be seen as part of a challenge to current structures and relations of power, the authors refer to power as *power over*.

As pointed out by Allen (2005), Foucault’s idea of power is about “power over” when he writes: “if we speak of the structures or the mechanisms of power, it is only insofar as we suppose that certain persons exercise power over others” (Foucault, 1983, as cited in Allen, 2005).

The French scholar has treated power as a mean of social difference. As pointed out by Dowlèn (2002), drawing upon Foucault’s approach, power is connected to forms of knowledge and truth, where “knowledge is power over others and power to define others” (p. 241). Sarup (1993), referring to the work of Foucault, also stresses that knowledge is “a mode of surveillance, regulation, discipline” (p. 67).

Along the same line, Mooij (2003) asserts that “power over” can also be apprehended in its discursive dimension; in this instance, power is not conceived in a material resources dependent way, but as “invisible”, as it functions “through interpretations, through concepts and through meanings” (Mooij, 2003, p. 9). It controls through processes and it “closes down the possibility of thinking of alternatives, although this is never completed and meanings often remain contested” (ibid).

The interpretation of power “entails understanding the dynamics of oppression and internalized oppression” (Rowlands, 1995, p. 102). “Since these affect the ability of less powerful groups to participate in formal and informal decision-making, and to exert influence, they also affect the way that individuals or groups perceive themselves and their ability to act and influence the world around them” (ibid).

The second approach to power, *power to*, concerns the analysis of power as a tool to achieve collective goals. This school of thought considers empowerment as a generative process that leads to social transformation, fostering people

awareness, self-esteem, and confidence (Rowlands, 1995). As noted by Côté, (1999, p. 20) referring to Ouimet (1990), “power is a common resource, allowing both parties in a relationship to attain their objectives”.

As pointed out by Rowlands (1995, p. 102), “empowerment is thus more than simply opening up access to decision making; it must also include the processes that lead people to perceive themselves as able and entitled to occupy that decision-making space”. Along the same line, Kelly (1992, as cited in Rowlands, 1995, p. 102) asserts that it is “power to” that the term empowerment refers to, and it is achieved by increasing one’s ability to resist and challenge power over”.

1.2.2 Different ways to exercise power

Lukes (1974) is one of the most influential authors who has investigated the topic of power (International Encyclopedia of the Social & Behavioral Sciences, 2001, p. 11933). According to his influential typology, power can be observed in three dimensions: visible power, or 1-dimensional; hidden power, or 2-dimensional, and finally invisible power, or 3-dimensional power (Summer et al., 2008, p. 9).

Visible power is exercised through formal institutional spaces and channels of political confrontation (Baldock et al., 2007, p. 37). As explained by Luttrell et al., 2007, p. 1) “this is the conventional understanding of power that is negotiated through formal rules and structures, institutions and procedures”. According to Lukes, visible power focuses “on behavior in the making of decisions on issues on which there is an observable conflict of (subjective) interests, seen as expressed policy preferences, revealed by political participation” (Lukes, 1974, as cited in Smith, 2000, p. 62).

Hidden power deals with informal rules. Luttrell et al., (2007, p. 1) explain that hidden power is about “control over decision making”. It is observable, for example, when political authorities set the political agenda, or when power is exercised through “informal influence” (Baldock et al., 2007, p. 37).

Finally, invisible power is about “shaping meaning and what is acceptable in the discourse” (Summer et al., 2008, p. 9). This type of power is infused by “shaping of preferences via values, norms and ideologies” (Baldock et al., 2007, p. 37) and it is revealed when power holders succeed in “fashion[ing] people’s perception and attitudes so that they indicate preferences that are not in their true interests” (Bealey, 1999, p. 255).

Bosch (2003), in his attempt to classify the main types of power presented in the massive literature concerning the topic, distinguishes three main categories: social control, legitimation, and influence.

Force is the first way to exercise power within the category of social control. It “may lead to fear in subjects, establishing patterns of cognition and action” (Bosch, 2003, p. 7). As for coercion, it “may be defined as the securing of compliance of another or others by means of threats or negative sanctions” (Lukes, 1995, as cited in Bosch, 2003, p. 8). As stressed by Bosch, (2003, p. 8), coercion “leads to compliance only with a credible threat (...). [T]he compliance obtained from subjects remains involuntary and unreliable” and as such it can

“also lead to resistance and hostility”.

Manipulation is another form of exercising power within the category of social control. Lukes (1995), as explained by Bosch (2003), claims that manipulation can be observed in two ways: the first “implies altering a situation so that a course of action becomes less attractive. The second attempts to change an agent’s wills, wants, preferences, or beliefs” (p. 8).

As for authority, it is about the right to seek compliance by others. Authority rests on legitimate power and is conferred by the organization or the social structure to a person or an organization (Bosh, 2003). The scholar explains that Max Weber distinguished three types of authority: the “rational-legal authority rests on a belief in the legality of enacted rules and the right of those elevated to authority under such rules to issue commands” (Bosch, 2003, p. 10). The second type of authority defined by Weber is “traditional authority [which] is based on a belief in the sanctity of traditions and the legitimacy of those elevated to authority under such traditions to issue commands”. Finally, the third type of authority is that based on charismatic attributes. This “rests on devotion to the sanctity, heroism, or exemplariness of the leader - and the order revealed or created by that person” (ibid).

Legitimation is the second type of power classified by Bosch (2003). Legitimation can “be advanced by power holders to convince subjects that commands and obedience are rightful” (Bosch, 2003, p. 11). It can be exercised using diverse devices such as “discourse, traditions, myths, beliefs, and rules” (see, for instance, Durkheim, 1926; Lukes, 1974, as referred to in Bosch, 2003, p. 11). As stressed by Bosch (2003), in such perspective, “social categories are created, maintained, and revised” (p. 11) via discourse, and “obligatory language and behaviors” (ibid) that are used to legitimate actions and social positions.

Also important for this research is the idea that power can be exercised via theories, myths, and beliefs such as the “divine right to rule [e.g.; the mandate of heaven], the legitimacy of oligarchies, the power of the people, the majority (...)” (Bosch, 2003, p. 12). “Claims of superiority” can be used to rationalize political and social dysfunction, while “sacred ideas and practices may serve as normative prescriptions, and rituals, titles, and symbols may be used” (ibid).

Finally, as for social influence, power is exercised with the objective to “change a subject’s perceptions, goals, preferences, beliefs, attitudes, cognitions, motives, and thereby his or her behavior will” (Bosch, 2003, p. 7). Influence can be exerted using different techniques such as persuasion, by “presenting arguments and facts to convince someone” (p. 15), participation (where the individual is expected to change ideas or preferences through the interaction with others, or as a result of a particular experience), propaganda, and other “rhetorical techniques” (Bosch, 2003, p. 16).

1.2.3 Power between state institutions

A theoretical stream that deals with power between state institutions that is useful for this research can be found in the bureaucratic politics literature (Barzelay, 1992; Bendor & Moe, 1985; Christensen, 1997; Jacobsen, 2005, 2006; Moe, 1984, 1989, 2005; Rourke, 1984).

Bureaucratic politics concerns the situation where bureaucrats, “far from realizing the Weberian model of detachment” from state management and policy implementation, “attempt to affect outcomes in their own interests” (Bealey, 1999, p. 36).

Scholars who have approached the topic of bureaucratic politics have done it in several ways that are relevant to this research. For instance, bureaucratic politics has been apprehended through the angle of how public agencies behave and operate in the wider political system (e.g., Peters, 2001b). In this perspective, the focus is double: (i) how bureaucrats pro-actively take advantage of their power to promote their own agenda, and how political organizations are captured by a powerful and self-interested bureaucracy (e.g., Niskanen, 1971); (ii) the second focus is on the mechanisms of control required in order to constrain bureaucrats’ *room of maneuver* (e.g., Moe, 2005; O’Toole, 1986, 1993). Traditional institutional devices of control are political (e.g., Legislative, oversight committees, etc.), administrative (e.g., internal audits, ombudsman, etc.) and market-type devices (e.g., contracting out, agencies’ internal competition, etc.).

It is important to stress that the idea of completing these traditional mechanisms of control (often termed as internal mechanisms of control) with external devices (see the idea of external accountability exercised through civil society scrutiny) comes with the recent good governance agenda. Here, as mentioned before, the underlying idea is that internal accountability systems are in most cases blunt instruments with which to hold bureaucrats accountable, hence the reason why internal accountability systems need to be complemented with external ones.

Bureaucratic politics has also been observed in a dynamic way, i.e., how bureaucrats attempt to alter the policy cycle according to their interests. Policy implementation literature informs us that bureaucrats actively seek to influence policy making during the whole policy process, from the agenda-setting to the adaptation phase (e.g., Grindle, 2001).

Bureaucratic politics has also been discussed in the context of bureaucratic organizations, i.e., how bureaucrats deploy power strategies within the bureaucratic apparatus (e.g., Crozier & Friedberg, 1977; Tullock, 1965). In this case, bureaucrats are not considered within the wider political context, but in the bureaucratic arena in which they act as agents in competition with each other for control over resources.

What these diverse perspectives have in common is the fact that they acknowledge that bureaucrats have at their disposal discretionary power that they will use in order to act according to their interests (Moe, 1984, 1989). Ripley and Franklin (1982, as cited in Oszlak, 2005, p. 483) note: “bureaucrats are not neutral in their policy preferences; nor are they fully controlled by any outsiders forces. Their autonomy allows them to bargain – successfully – in order to attain a sizeable share of preferences”.

Rourke (1984, as cited in Oszlak, 2005, p. 482) adds that the power of bureaucrats comes from two different sources: (i) “their ability to create and nurse constituencies and (ii) their technical skills that they command and can focus on complicated issues of public policy”. Oszlak, referring to Peters (1999), observes that

bureaucracy enjoys other important resources: (1) its great agility, as compared with Legislature, to act fast upon multiple issues, since it is free from following the legislature's strict procedural rules for debate and decision; (2) its capacity to mobilize political affiliates in demanding greater budgetary allocations; and (3) the relatively high degree of autonomy of its organizations and agencies. (Oszlak, 2005, p. 498).

According to Oszlak (2005), bureaucracy power derives from the fact that it operates in a market environment "with few or no competitors, rather heterogeneous clients and *regulatory groups* with varying capacity of control, depending on the political context being considered." (p. 499).

In addition, stresses Oszlak (2005), the second source of power comes from the fact that "the division of labor within this apparatus tends to parcel out functions, jurisdictions, and competences in such a way that virtual monopolies are created over the production of goods, regulations, or services" (p. 500). Finally, "clienteles tend to be *captive*, given the monopolistic nature of most public bureaucracies' outputs and the interest networks generated around their supply" (ibid).

Peters (2001a) has also extensively discussed the topic of bureaucratic power. A first source of power identified by the scholar derives from the "power of decision" (p. 235). Bureaucrats, points out the scholar, are in a position to take decisions free of voting regulations and democratic ties, electoral pressures, and political constraints, and this gives them the ability to take decisions more rapidly than the legislature.

The second type of power, identified by Peters (2001a), held by the bureaucracy is their ability to mobilize their "political supporters in making claims for resources, for funding or policy autonomy" (p. 235). Political supporters can be unions, lobbies, specific constituencies, pressure groups, etc.

Finally, according to Peters (2001a, p. 234), "the most important resources of the bureaucracy are information and expertise. To the extent that the state has information at its disposal, acknowledges the scholar, this information is concentrated in bureaucratic agencies" (ibid).

The scholar notes that the "relative monopoly of information can be translated into power in several ways" (p. 234). First of all, since bureaucrats know more about their constituencies, they should be able to make better policies "in a certain issue area than would the relatively ignorant political executive and legislature" (Peters, 2001a, p. 234). Secondly, even if legislators attempt to be as autonomous as possible with respect to the bureaucracy, the expertise and information required to formulate policy still come from the bureaucracy. This implies that bureaucrats are in a position to influence policy formulation by providing selected information to lawmakers and governments (Peters, 2001a). Finally, bureaucrats also lead, directly or indirectly, policy implementation and the monitoring and evaluation processes, which place them in a strategic position to gather critical information that is used selectively to inform legislators and governments (Peters, 2001a).

Hirschmann (1999, p. 289) also asserts that bureaucracies compete with other societal stakeholders in the appropriation of resources, and in this struggle for resources bureaucracies benefit from “a variety of overt and covert instruments of influence (...) as well as the ability to anticipate and adapt to changing circumstances”. According to him, “these instruments include legal authority and informal administrative power based on relative expertise, permanency, and influence over policy formulation and implementation” (ibid).

Insights into bureaucratic power are also provided by *Public Choice* theorists. As previously discussed, various scholars (e.g., Buchanan & Tullock, 1962; Niskanen, 1971, etc.) have identified the fact that rational and self-interested bureaucrats act in a manner that does not respond to the public interest, but rather to their own personal interests, the interests of politicians, or the interests of specific policy communities and constituencies.

The power of (i) asymmetric information that allows bureaucrats not to disclose critical information to political authorities and oversight bodies, a situation of (ii) monopoly in terms of services and goods provision, and the (iii) difficulty of measuring bureaucratic outputs, are the main sources of power of civil servants and top officials (see, for instance, Jacobsen, 2005, p. 771). Self-motivated, they will use their power to extract economic rents (Tullock, 1965) or increase state budgets (Niskanen, 1971), with the consequence of hindering bureaucratic efficiency.

1.2.4 Power and the policy process

Theorists of policy process (Overseas Development Institute [ODI], 2004; Sutton, 1999) provide instructive insight into where and when power relations between actors can be observed. The policy process is defined by ODI

as the process by which an issue is identified as something amenable to policy response, and is then subjected to various stages of analysis on the way to a decision, implemented, and the outcomes monitored and evaluated and the findings used to inform subsequent iterations of policy-making (ODI, 2004, p. 7).

By refuting the idea that policy making and policy implementation are distinctive phases (i.e., refuting the idea that policy making is a political act, while implementation is simply an administrative and mechanical process), this theoretical stream emphasizes that, through the interactions or bargains of actors, policy is contested throughout all its phases.

According to Thomas & Grindle (1990, p. 1166), policy “is a process in which interested parties can exert pressure for change” at any phase of the policy life cycle; therefore, “understanding the location, strength and stakes involved in these attempts to promote, alter or reverse policy initiatives is central to understanding its outcomes” (ibid).

Traditionally, literature on policy process distinguishes between top-down and bottom-up approaches. Top-down theorists (see, for instance, Mazmanian & Sabatier, 1981) see bureaucrats as central actors and identify power struggles at the central level; the power game of the central actors will thus determine to

which extent policy outcomes coincide with the goals of the initiative. The idea is that strategies, interactions, and bargains take place mainly before the policy implementation phase.

Bottom-up theorists (see, for instance, Lipsky, 1980; Hill, 2003), on the other hand, place the emphasis on services delivery officials, target groups, and constituencies, arguing that policy is really made at local level during the implementation phase. For instance, Lipsky (1980) has developed a street-level bureaucracy model. According to him, due to the constraints of time, bureaucratic procedures, their own preferences and considerable discretionary power, field level bureaucrats exercise considerable flexibility in implementing instructions.

Regardless of the diverse focuses of top-down and bottom-up schools, the contribution of the policy process theorists to this research is that it entitles us to substantiate that policy is about power and power strategies, both of which take place during the whole policy cycle (Grindle & Thomas, 1991).

Approached from this angle, some key policy issues can be identified: (i) first, throughout the whole policy cycle it is possible to identify who (actors), why (stakes) and how (means and resources, power strategies, etc.) policy is made and contested; (ii) second, why a specific issue is identified by political leaders as a matter of policy response; and (iii) finally, in a broader perspective, this approach also has the merit of alerting us to the fact that policy rationale, design, and effects on the ground are the product of a given institutional power balance, and that their examination is informative regarding the issues at stake.

1.2.5 Institutional power to influence policy outcomes

The last element that is discussed in this section concerns the sources of institutional power, which explains the capacity of actors to influence policy outcomes. This point is important given that to answer research question n.3 of this thesis I adopt an analytical framework that blends elements developed by several scholars who have developed models meant to explain policy outcomes.

As previously mentioned, one of the purposes of this research is to inform that the relative institutional power balance between policy stakeholders provides a convincing explanation of policy outcomes on the ground. So, what are those variables that explain stakeholders' relative institutional power advantage vis-à-vis other societal actors when it comes to influencing policy outcomes?

The literature on bureaucratic politics informs us that bureaucrats have at their disposal specific and unique power sources such as the monopoly of services provision, control of information, and specific technical and operational skills, etc. (see, for instance, Oszklak, 2005; Peters, 2001a). However, given that the analysis of the power granted by institutions to OSS stakeholders does not concern only the bureaucracy, a level of analytical generalization is required to be reached that allows for the identification of institutional power sources suitable for all societal stakeholders (government officials, citizens, civil society groups, etc.). Literature on policy implementation is highly useful for this purpose.

Lynn et al., (2000) have designed a "reduced-form model of governance" (p.

244). This is an analytical framework that has been developed with the intent to identify those variables that could explain the performance and success of given governance regimes. The interest of this model for this research is that it can also be used in order to systemize the constitutive elements of stakeholders' power sources within a given institutional environment by identifying which stakeholders succeed in exerting control over, or are affected by, these explanatory factors.

According to their model (Lynn et al., 2000, pp. 244–245), the outcomes of a given governance policy are a function of: (i) “environment factors (i.e., political structures, level of external authority/monitoring, characteristics of eligible or target population, legal institutions/practice”, etc.); (ii) “structures (i.e., organization type, level of integration/coordination, centralization of control, functional differentiation, administrative rules/incentives, budgetary allocations, contractual arrangements, institutional culture/values” etc.); (iii) “clients characteristics (i.e., clients' attributes/characteristics/behaviors”; (iv) “treatments (primary work / core processes / technology)” (i.e., “organizational mission/objectives, determination of target populations, recruitment or eligibility criteria, program treatment/technology”, etc.); and (v): “managerial roles and actions (i.e., leadership practices - characteristics, attitudes and behavior, staff-management relations, communication and decision-making tools and arrangements, professionalism / career concerns, monitoring / control / accountability mechanisms, including performance standards, incentives, and sanctions” etc.).

The modeling of policy implementation designed by Fritzen (2003, p. 6) also provides useful insight if one wants to understand what the variables are that explain policy outcomes. These are: (i) the “policy design”, i.e., “the policy content and resources available for implementation”; (ii) “the inter-organizational communication and enforcement activities” (i.e., “how the policy is communicated to lower levels, and within what framework of accountability”, the effectiveness of the accountability mechanisms, the enforcement devices, etc.); and finally, (iii) “the characteristics of the implementing agencies / disposition of implementers”, (...) i.e., incentives structures, extent to which implementing agencies consider that it is in their interest to adopt the policy, etc.

All these elements operate in an institutional environment (action environment – social-, political-, and economic factors) and it affects it in two different ways (Fritzen, 2003, p. 6). First of all, “it structures or influences the formation of the policy in the first place” (i.e., policy choice and policy design); it is then, in turn, affected and changed by the policy outcomes and impacts (*ibid*). This is especially true in the case of good governance reforms since this type of initiative is about reshaping the divide between state and society in a way so as to redefine, institutionally speaking, what is possible, when and how (Jayasuriya & Rodan, 2007). As pointed out by Fritzen (2003), “a program may over time empower a previously marginalized group to have a greater stake in a particular policy, changing the stakeholder alignment in ways that create new support or opposition to a policy” (p. 7).

Thomas and Grindle (1990, pp. 1166–1167) also have identified a set of critical variables meant to explain policy outcomes. Without getting into the detail of

their explanatory variables, according to them, institutional change (i.e., policy outcomes, when the policy is meant to change institutions as in the case of good governance reforms) can be explained by (i) the interests of the political elite toward change, (ii) the power to reform that stakeholders use to compete against each other during the whole policy making process (from agenda setting, to design, adoption, and policy implementation), and finally, (iii) the policy characteristics of the reform at hand.

Fritz et al., (2009, p. 42) have also developed an analytical framework meant to assess the sources of power used by stakeholders in order to influence policy outcomes. They divide such sources into three broad categories. The first is “structural variables” (e.g., “economic base and level of development, (...) nature of interaction with global economy (...), status of poverty and of equity/inequality”, etc.).

The second category is: (i) “institutional variables” that are broken down into formal macro variables (e.g., “Constitution, (...) electoral rules, major laws”, etc.), (ii) formal “detailed institutional” variables (e.g., “rules governing policy and budget processes, organizational institutions, organizational’ institutions, set-up of government, ministries and their roles and mandates; accountability institutions”, etc.), and (iii) “informal institutional variables” (e.g., “social norms and expectations; nature and strength of patronage networks”).

The third category deals with the characteristics of stakeholders: detailed stakeholders (e.g., “political leaders, leaders in a bureaucracy, heads of SOEs; mid-level bureaucrats” etc.); macro stakeholders (e.g., “political parties, interest groups, business associations, trade unions, religious groups, farmers associations, civil society organizations”, etc.) and external stakeholders (e.g., other governments, international networks, development partners, etc.

The way in which I have used the abovementioned theoretical input in order to develop an analytical framework meant to assess OSS stakeholders’ relative power balance is presented in Part VI of this research, under the section dedicated to the development of research question no. 3.

1.2.6 Summary: core ideas of power

- The power of an actor can be viewed as the extent to which he succeeds in producing outcomes consonant with his perceived interests;
- There are two main categories of power identified in the literature. “Power over”, (the capacity of an individual or a group to impose its will on another); “power to” (conceives power as a device for the successful realization of common goals);
- Diverse types of power can be identified: charisma, reputation, knowledge, authority, coercion, legitimacy, force, control, manipulation, etc.;
- Power relations can be observed within state institutions and between the state and society. For instance, bureaucratic politics literature informs us that bureaucrats have at their disposal specific sources of power (i.e., monopoly of services provision, access and control of strategic information, unique technical competences, etc.) that

complicate the task of overseeing them; bureaucrats may attempt to affect decision-making outcomes in their own interests;

- Power is also deployed in the policy process, from the agenda setting to the policy design, implementation, and adaptation of the policy over time;
- Actors use their institutional power to alter policy outcomes according to their strategic interests. The sources of such power come from the institutional set- up (*de facto* and *de jure*); in the overall administrative, organizational, and legal environments, and finally, in the characteristics of the policy itself.

1.3 Good governance reform at the polity level : the political regime

This section does not ambition to review compressively the vast literature on political regimes. The intent here is two-fold: firstly, to reveal how this concept provides useful avenues to integrate the discussion of PAR making at the polity level. Secondly, as alerted by political scientists who have addressed the issue of PAR via a political analysis (see, for instance, Rodan & Jayasuriya, 2007), to substantiate that the political regime within which reforms take place is informative to gaining an understanding as to *why* and *how* reforms are selected, adopted, implemented, and delivered (Shanks et al., 2004). In this case the concept of political regime is used as an analytical framework to assess relative institutional power balance and to shed light on the good governance rationale, design, and results on the ground.

Considering that good governance reform is about empowering previously excluded groups (Cornwall & Gaventa, 1999, 2001), with the objective of having a more important influence on the governance process by reshaping the divide between state and society, then the questions are how this divide is structured, what the political rationale is that explains the existence, content, and nature of such divide, and why it has become the object of modification.

The examination of the purpose and nature of institutional channels that shape state-society interactions, that is, what characterizes a political regime, can be used as a powerful explanatory framework to capture PA rationale, trajectory, and results in a specific polity context.

Political regimes can be defined as “the sets of procedures that determine the distribution of power” within a given society (Shanks et al., 2004, p. 2). The ODI (Overseas Development Institute, 2004, p. 4), referring to the work of Linz (1997), suggests three criteria to qualify a political regime: (i) “the degree of inclusiveness”; (ii) the level of “popular mobilization”; and (iii) political and ideological values governing the political system. This approach acknowledges a concept of political inclusiveness broader than the simple criteria of electoral participation since it recognizes the existence of “opportunity of participation between elections” (Shanks et al., 2004, p. 2).

According to Mhone, the political regime

relates to the manner in which ruling elites see themselves

embedded in society and how they see themselves accountable to them. This is not only an attitudinal problem but one of institutionalized mechanism of participation, consultation and accountability (Mhone, 2003, p. 5).

Also informative for the purpose of this research is the definition of Fishman (1990, p. 428): “a regime may be thought of as the formal and informal organization of the centre of political power, and of its relations with the broader society. A regime determines who has access to political power, and how those who are in power deal with those who are not”.

1.3.1 Political regime as an analytical framework

Houtzager (2003, as cited in Hickey, 2005, p. 12) defines political regime as those devices that enable the political inclusion of citizens, and “the ways in which state and societal actors are constituted, become politically significant, and interact across the public-private divide”. Referring to Houtzager, Hickey explains that such divide depends on (i) the state-society relationship and their respective capacities; (ii) the “degree of centralization and bureaucratization” (ibid); (iii) the manipulation of institutions by dominant organizations; and finally, (iv) the nature and the content “of mutual engagement (involving conflict and negotiation) or iterative struggles” (ibid).

Hickey (2005, p. 15), mentioning the work of Webster and Engberg-Pedersen (2002), points out that the contribution of the two scholars is also useful if one wants to use the concept of political regime as an analytical framework. Their analytical framework proposes focusing on three key dimensions: (i) the spaces, or “the institutional channels through which policy formulation and implementation can be accessed, controlled or contested” by the people; (ii) the “political discourses” in which given societal issues are identified as a matter of policy response; and (iii) the institutional arrangements framing the political practices of societal actors (ibid).

Jayasuriya and Rodan’s definition of political regime is also highly valuable for the purpose of this research. According to the scholars,

political regimes need to be identified and explained in terms of the organization of conflicts through various modes of citizens’ participation (...). A mode of participation refers to the institutional structures and ideologies that shape the inclusion and exclusion of individuals and groups in the political process (Jayasuriya & Rodan, 2007, p. 773).

What qualifies a political regime, then, according to them, is the way in which institutions manage and contain conflicts, where conflicts “refer to the struggle for access to and the distribution of political resources, authority and legitimacy” (p. 775). Finally, political participation is about “the engagement or contestation by individuals and groups over who gets what, when and how” (p. 775).

What is of interest for this research with regard to Jayasuriya and Rodan’s (2007) approach is that their definition of political regime also goes beyond the idea of electoral participation and encompasses all modes of interaction between state and society (formal and informal).

Secondly, according to their approach, the concept of accountability can be viewed as “a form of political participation” (ibid). As accountability devices are meant to restrict the discretionary power of agents, they offer “avenues for questioning and potentially influencing the exercise of state power” (Jayasuriya & Rodan, 2007, p. 787).

Third, this approach presents the concept of political regime as an analytical framework since the structuring, content, and form of the inclusion mechanisms “within the state - and in relation to the state - tells us a great deal about the nature of the conflicts and their management that are central to defining the political regime” (Jayasuriya & Rodan, 2007, p. 780).

By examining such modes of participation, and more precisely “who can be involved in these processes” and “over what matters and how”, (Rodan & Jayasuriya, 2007, p. 799), this can thus reveal why and how institutional reforms are selected, adopted, implemented, and delivered (Shanks et al., 2004).

1.3.2 The fit between political regime and institutions

As previously mentioned, this section does not ambition to review the enormous literature on political regimes. The intent here is to identify what elements can be useful for the construction of the analytical framework. More specifically, it is in my interest to discuss briefly the link between political regime and political institutions and how these two elements interact.

Rational choice institutionalists inform us that there are two types of institutional change agents (Florensa, 2002, p. 7): exogenous factors (e.g., “new policy designs at different scale, changes in the regulative system at upper levels, physical changes, changes in the broader political, social and economic context”) and endogenous factors (e.g., “initiatives or deliberated attempts in response to a tension or inconsistency between existing conditions and institutions, ideological innovation within the institutional context, evolution of the internal structure of the institution”. etc.).

Institutions are constantly adjusting to these changes which mutually interact “in complex and uncertain ways” (Florensa, 2002, p. 6). These changes, explains the scholar, have an effect on power distribution, the incentive system, and the strategic interests of societal actors, and can therefore lead to institutional tensions between the operational level, the collective choice level, and the constitutional level.

As pointed out by Shanks et al., (2004, p. 4) “there is a presumption that political institutions change more rapidly than regime types”. As the political regime deals with “the sets of procedures that determinethe distribution of power” in the society (Shanks et al., 2004, p. 2), and political institutions concern the formal and informal “rules of the games” (North, 1990, p. 3), by “determining which actors are allowed to play, [how and when], institutions both perpetuate and transform regime characteristics” (Shanks et al., 2004, p. 3).

Generally speaking, this tends to indicate that a change in societal power distribution can lead to a change in the political institutions (political rules and decision-making procedures – rules of the game), which can eventually end up in a transformation of the political regime (political norms and principles).

Secondly, this also suggests that there exists a permanent tension between these three levels of analysis. A new societal power balance (triggered, for example, by a new distribution of resources) can affect political institutions that are the product of a political regime. Since “political institutions change more rapidly than political regime” (Shanks et al., 2004, p. 4), and political institutions reflect societal power balance, the permanent interaction between these three levels is articulated via the political process that is the expression of the management of such tensions (Jayasuriya & Rodan, 2007).

1.3.3 Political participation

Examining participation in a political perspective means identifying the mechanisms that structure citizen participation in a state-society relationship, and secondly, qualifying these modes of participation (Jayasuriya & Rodan, 2007).

It has been extensively acknowledged that electoral mechanisms are not sufficient “to ensure citizen engagement and participation” (UNDP, 2006, p. 4). In fact, as pointed out by UNDP (2006, p. 4) referring to the work of Heller (2001), elected “officials can be voted in or out, but the engagement of citizens with their state institutions may not extend beyond this”. Elected officials can be selected by social and political groups (e.g., ethnic groups, business interests, the military) that do not necessarily represent the interest of citizens (ibid). The good governance agenda aims, therefore, to seek more inclusive alternatives in favor of citizens via increased citizen participation (UNDP, 2006).

In a political perspective, participation is thus conceived as the “right of people to become involved in decisions that affect their lives” (p. 5).

In order to examine the system of governance, operationalized via the concept of political regime, one has to identify the full range of participatory devices, and that includes electoral mechanisms and other procedures that support citizen participation. When it comes to qualifying participatory devices that are not electoral, Jayasuriya & Rodan (2007) propose a typology that distinguishes four modes of political participation in authoritarian and post-authoritarian Southeast Asian regimes.

Their typology “distinguishes between institutional mechanisms of the inclusion and exclusion [of citizens in the political arena] on the basis of whether participation involves individual or collective actors (...) and whether participation occurs within the state or is autonomous from it” (Jayasuriya & Rodan, 2007, p. 782).

- Individual “administrative incorporation”, where the level of inclusion is set at the individual level, and channels of political participation are under the control of the state (e.g., customers’ report cards, citizens’ grievance processes, etc.);
- “Societal incorporation”, where the level of inclusion of citizens is mediated via state sponsored institutions that are under the control of the state (e.g., mass organization in a one-party system);
- “Individualized political expression”, where citizen participation is individual and exercised through political channels that are relatively

autonomous from the state (e.g., bloggers);

- “Civil society expression”, where citizen participation in the political arena is collective and is expressed via channels that are not under the direct control of the state, that is, an independent civil society that operates “relatively autonomously from the state” (e.g., labor unions)

This typology is of interest in that it contextualizes PAR (or more precisely, good governance reforms) in a political framework and provides an analytical tool capable of qualifying such reforms in a broader political perspective. Secondly, the typology is suited to identifying participatory devices in authoritarian and post authoritarian regimes and as such, provides a valuable analytical tool for the examination of the system of governance of Vietnam.

1.3.4 Political spaces

We have seen that in the definition of a political regime the concept of political space is central. The link between political spaces and good governance reform is captured by Cornwall (2002) when he writes that initiatives meant to reform participatory mechanisms can be

thought of as creating spaces where there were previously none, about making room for different opinions to be heard where previously there were very limited opportunities for public involvement and about enabling people to occupy spaces that were previously denied to them (Cornwall, 2002, p. 2).

Cornwall (2002, 2004) proposes a typology of political spaces that is highly useful for this research. According to him, the first type of political space, which we suggest qualifying as formal spaces, concerns institutional channels and arenas which serve as an interface between people and the state. This type of participatory space frames state-society interactions via formal institutional arrangements (e.g., political elections, etc.).

The second type of political space, hereafter defined as selective spaces, concerns temporary institutions: Cornwall (2002) explains that, also framed in formal institutional areas, these spaces are characterized by punctual actions aimed at opening discussions and negotiations over specific policies or initiatives. These events, clarifies Cornwall (2002), occur at particular moments and for particular purposes, and then closed again (e.g., public consultation meetings, reports cards, ad hoc parliamentary commissions, etc.). Some of these spaces are supported by external agents (e.g., civil society), completely outside the ambit of the state; others might be initiated from within the state and, as explained by the scholar, take place under the direct control of the state.

Rather than involve channels within the state, the third type of representative space (qualified as external spaces) springs up outside the state and in the absence thereof. These are spaces, notes Cornwall (2002, 2004), created outside the control of the state. They may be spaces for radical activities, but also spaces for conservative social forces, meant to maintain the exclusion of certain social groups.

What is interesting about the typology of political spaces as presented by

Cornwall (2002, 2004), is that it offers a locus of observation for state–society interactions. Secondly, it identifies areas of political struggle also external to the official institutional arrangements (external spaces) which can potentially be disruptive for the governance arrangements already in place.

With the objective of merging several influential typologies and definitions associated with the concept of power, Gaventa (2006) puts forward the tool of “power cube”, which brings in Lukes’ three dimensions of power (visible, hidden, and invisible), the concept of Cornwall’s (2004) political spaces, i.e., how and where arenas of power are shaped, and finally the level where power is exercised, i.e., at local, national or international level. According to Gaventa, “Lukes’ three forms of power must also be understood in relation to how spaces for engagement are created, and the levels of power (...), in which they occur” (p. 25).

The interest of this tool is that it allows an understanding of how different forces and institutions - that can be visible, hidden or invisible - come to play in “enhancing or marginalizing” citizens’ empowerment and inclusion vis-à-vis political institutions, and ultimately, in defining state-society relationships (Luttrell et al., 2007, p. 2).

1.3.5 The cultural dimension of authority, political regimes, and reforms

As previously discussed, Cheung and Scott (2003) alert us to the fact that governance systems are culturally and sociologically constructed arenas in which players and institutions interact, and that they are not detached from politics and the dominant values of society.

While this section does not ambition to review the vast topic of the relation between cultural values and political regimes, what is important for this research is that governance arrangements (i.e., how the divide between state and society is articulated and structured, i.e., a given political regime) need also to be understood in the light of cultural aspects.

As this research is contextualized in Vietnam, this in fact raises the issue concerning the cultural significance of implementing a public administration reform that aims at enhancing the transparency, responsiveness, and accountability of commune level authorities.

This also raises the issue of the cultural significance of authority, power, and state legitimacy. In the next part, Part V, I present the fundamental Confucianist political traditions that throughout its history have shaped state institution building in Vietnam, and that still exert an influence today. I also discuss the paternalistic political culture of the Vietnamese regime that can be captured via an analogy to the family, where the party represents the parents and the Vietnamese citizens the children (Jorgensen, 2005).

What is important at this stage, however, is to highlight that there is a general understanding among scholars that good governance is culturally rooted and embedded in western values as it promotes transparency, accountability, and participation, and evokes a clear separation of the private and public sphere,

together with and a strong, pluralistic, and articulate civil society (Boll, 2001).²⁸

Although the issue is quite debated and the idea of shared common values relatively contested (see, for instance, Lawson, 1993, 1995), Asian societies are culturally embedded in values that feature alternative attributes such as “consensus (...), communitarianism (...), social order and harmony, respect for elders, discipline and a paternalistic State” (Boll, 2001)²⁹.

As pointed out by Koh (1993, as cited in Inoguchi & Neuwman, 1997) the “individual is not an isolated being, but a member of a nuclear and extended family, clan, neighborhood, community, nation and state. East Asians believe that whatever they do or say, they must keep in mind the interests of others ... the individual tries to balance his interests with those of family and society”. (p. 4)

Such cultural trends, point out Inoguchi and Neuwman (1997, p. 4), seem to support the idea that there must be a balance between “civil liberty and social stability”; they also seem to accept social organization based on hierarchy and the “benevolence” (p. 5) of state institutions. According to the scholars, “this might appear to consolidate the state’s authority in the interests of the *common good* and create a submissive population which accepts hierarchy and seniority” (ibid).

In such cultural setting “efficiency and stability rank higher than transparency and accountability” (ibid, p. 7), and this plays a role in shaping the basis of the legitimacy and reputation of political regimes.

1.3.6 Summary: core dimension of good governance reforms in a political system

- Good governance reforms are about shaping the divide between state and society; reforms are negotiated, discussed, and adopted in a specific governance setting and as such, are the product of a given polity system (see for instance, Jayasuriya & Rodan, 2007);
- The concept of political regime provides a powerful analytical framework to examine how this divide is structured, what the political rationale that explains it is, its content, and its nature (see, for instance, Jayasuriya & Rodan, 2007);
- Political institutions (the “rules of the game” following the definition of North, 1990) change more rapidly than political regime (political principles and norms). Change in societal power balance can lead to a change in the political institutions that can eventually end in a transformation of the political regime. The tension between these three elements is expressed in the political process;
- In the same vein, it is believed, too, that examination of the political

²⁸ Retrieved on 24 February 2012 from <http://www.icrc.org/eng/resources/documents/misc/57jqzl.htm>

²⁹ Retrieved on 24 February 2012 from <http://www.icrc.org/eng/resources/documents/misc/57jqzl.htm>

regime is also informative of the strategy followed by power holders in reforming political institutions (the divide between state and society), i.e., the creation and shaping of modes of citizen participation;

- Citizens' spaces of contestation are more than just electoral mechanisms; they encompass official (i.e., under the direct control of the state) and unofficial (i.e., outside its control) devices (see, for instance, Cornwall, 2002, 2004);
- Political regimes, spaces of contestation, participation, political legitimacy, authority, and power are culturally-loaded concepts; as such, they need to be understood in the light of the cultural context within which they are embedded.

2. General analytical approach

The institutional political perspective informs us that good governance needs to be understood as an attempt to shape the divide between state and society, that is, to change the mechanisms at the disposal of social actors to influence the governance process. To what extent such divide is successfully shaped (i.e., to what extent OSS outcomes are in line with PMD181 provisions) depends, as this thesis intends to demonstrate, on the relative institutional power balance between power holders and citizens (see research question n. 3).

The matter at stake for this research is therefore to explain how and why the current institutional power balance comes into play in affecting reforms that aim at enhancing state responsiveness, transparency, and accountability at local level in the realm of public affairs.

This research also ambitions to explain, in a political perspective, why a given issue has been considered as a matter of policy response (policy rationale – see research question n. 1) and how such issue has been translated into policy directions (policy choice – see research question n. 2).

Finally, it is a matter of predicting what the potential consequences are of OSS outcomes on the ground for the program's initiators (policy impacts – see research question n. 4), keeping in mind their political objective when they decided to launch such program.

The objective of the analytical framework is to answer the four research questions:

- Why have public administration reforms, and more particularly the OSS program, been adopted in Vietnam? What is the political rationale of the reforms (i.e., policy rationale)?
- What is the strategy adopted by the political leaders in order to reform the public administration in Vietnam (i.e., policy choice)?
- Why does the OSS program perform as such? How can its outcomes on the ground being explained (i.e., policy outcomes)?
- What are the political consequences (OSS program impacts) for the political initiators of such outcomes (policy impacts on the Vietnamese political regime)?

2.1 Synthesis : general analytical framework

An entry point to constructing an analytical framework capable of capturing all the elements mentioned above is to refer to the concept of political regime.

A political regime, according to Jayasuriya & Rodan (2007), can be described in terms of how public institutions manage or contain conflicts involving citizens and power holders, where conflict “refers to the struggle for access to, and the distribution of, resources” (p. 775) (e.g., authority, legitimacy, use of force, material resources, etc.), and politics is about “furthering the dominance over institutions of the state and their resources” (p. 777).

Societal conflicts can be observed via the examination of the content and nature of those institutional spaces that interface the state with its citizens. These spaces structure the “modes of political participation” and frame “the engagement or contestation by individuals and groups over who gets what, when and how” (Jayasuriya & Rodan, 2007, p. 775).

Dominant political elites operate in such a way as to attempt to shape power distribution in society by crafting political institutions (t0, table 16) according to their political interest (see, for instance, Cook & Levi, 1990; Jayasuriya & Rodan, 2007; Knight, 1992; Moe, 1989, 2005) in order to protect their political power and maintain the political status quo and stability (see, for instance, Jayasuriya & Rodan, 2007; Moe, 2005; Scharpf, 1997).

For the purpose of clarifying the framework, it is important to elucidate the distinction between political regime and political institutions. As previously mentioned, political regime deals with the “the set of procedures that determines the distribution of power” in society (Shanks et al., 2004, p. 2). As for political institutions, they concern the formal and informal “rules of the games” (North, 1995, p. 23). “By setting the rules of the game and determining *which* actors are allowed to play, [how and when,] institutions both perpetuate and transform regime characteristics” (Shanks et al., 2004, p. 3). As pointed out by the scholars, “there is a presumption that political institutions change more rapidly than regime types” (ibid).

2.1.1 Agenda setting, political rationale, and policy choice of institutional reforms

When the resources of power of political elites are affected (e.g., loss of legitimacy), the fit between the new societal power balance and the political institutions (t0, Table 16) comes under tension. Change agents that can modify societal power balance can be exogenous – that is, physical conditions, changes in the markets, technical innovations, new regulations and institutions, social-, political-, and economic systems changes, and endogenous – that is, stakeholders’ learning processes, new resource distribution, legitimacy, etc. (Florensa, 2002; Grindle & Thomas, 1991).

How such institutional tension is perceived by the ruling elite will determine whether they take action and initiate institutional changes (e.g., good governance reforms). The perception of the ruling elite is a function of how they perceive a given issue as a potential challenge to their political dominance. According to Grindle and Thomas (1991, p. 14), the ruling elite may have two

types of perception of the situation at hand: perceive it as a crisis (“crisis situation”) or as “politics as usual”.

The crisis situation is characterized by high stakes being at play for power holders and citizens; when a sense of urgency to take action is perceived and when pressure to succeed is strong. An example of a crisis situation could be anything that endangers the legitimacy of the political elite. In contrast, if reform is perceived as “politics as usual”, this is because stakes are low and the issue at hand does not represent any immediate challenge to the elites.

An analysis of the agenda setting circumstances reveals useful information about the power elites, such as their strategy with regard to institutional change; what is perceived as a political threat and what is, on the contrary, perceived by them as having low implications for political stability.

- Research question n. 1: why have public administration reforms, and more particularly the OSS program, been adopted in Vietnam? What is the political rationale of the reforms (i.e., policy rationale)?

Moreover, the analysis of the agenda settings is also informative with regard to the policy choice adopted by the ruling elite to reform institutions, i.e., how political elites attempt to manage institutional constraints and opportunities in a way that best serves their interests.

- Research question n. 2: what is the strategy adopted by the political leaders in order to reform the public administration in Vietnam (i.e., policy choice)?

2.1.2 Arenas of conflict between reforms stakeholders that determine policy outcomes

The outcomes of the institutional reforms depend on the capacity of the stakeholders to influence them according to their strategic interests. Reforms will be successful if those stakeholders that have an interest in the successful implementation of the reform (reform initiators) have sufficient institutional power to prevail against resistance coming from stakeholders that have no interest in adopting the reform, and that try, in vain, to sabotage it (Cook & Levi, 1990).

Stakeholders’ relative institutional power comes from three different sources: (i) the institutional arrangements (*de facto* and *de jure*), (ii) the administrative-, organizational-, and legal environment within which the policy is implemented, and finally, (iii) the policy meant to reform the institution itself (Fritz et al., 2009; Fritzen, 2003; Grindle & Thomas, 1991; Lynn et al., 2000; Thomas & Grindle, 1990).

Given that institutional power balance is revealed via an analysis of how formal (*de jure*) and substantive (*de facto*) mechanisms that interface power holders and citizens operate, it is important to distinguish between these two dimensions. While an analysis of the Constitution and other statutory provisions will inform us on formal institutional mechanisms, an analysis of “how things really happen on the ground” will provide the substantive dimension and thus complete the analysis.

In such light, via an analysis of the nature and content of *formal* institutional channels (*de jure*) that interface power holders and citizens, it is possible to

identify the formal boundary within which power is expected to be exercised and societal contestation accepted and managed (e.g., what does the Constitution say with regard to how citizens can participate in policy decision making? What kinds of powers are granted by the Constitution and statutory legal provisions to citizens to contest the political elite's decisions and actions? etc.).

On the other hand, an analysis of the *substantive* relation between power holders and citizens (institutional channels *de facto*) adds to such view a complementary dimension of institutions: how are such formal boundaries negotiated, interpreted, or turned away? Who really decides? Who really controls whom? Although, legally speaking, citizens should be included in decision-making processes, does this really occur? etc.

The second element that determines stakeholders' institutional power balance, and therefore their capacity to influence the outcomes of the institutional reform meant to reshape the state-society relationship, is the administrative-, organizational-, and legal environment within which the reform is implemented. Scholars who have carried out research in the realm of public administration and institutional change literature inform us that such set ups, in fact, provide opportunities and constraints to actors to maneuver within the governance context so as to have their interests vis-à-vis a given policy prevail over others (see, for instance, Ackermann, 2004; Fforde, 2003; Fritzen, 2003; Lynn et al., 2000).

The last element used to determine stakeholders' institutional power balance is the policy content (or policy characteristics) of the initiative meant to reform institutions (Fritz et al., 2009, Fritzen, 2003; Grindle & Thomas, 1991; Thomas & Grindle, 1990). The policy content provides incentives, constraints, and opportunities to stakeholders to maneuver in the governance setting in such a way as to have their interests prevail over others and as such it is constitutive of the actors' power resource.

While it can be safely assumed that at a macro political level power holders operate so as to preserve their power, Migdal et al., (1997, p. 17) alerts us to the necessity of not looking at political institutions and actors as monolithic, unitary, and homogeneous entities. A more precise political analysis reveals that power holders may not share the same preferences and that such preferences vary over time and space. Furthermore, power holders may be differently affected by institutional changes, and finally, they may be motivated by a multitude of interests that can also be contradictory (*ibid*).

For this purpose, it is useful to combine the macro political analysis with a more precise and context based analysis in order to gain an understanding of how a given institutional reform may affect the diverse stakeholders, how they position themselves with regard to it, and finally, how the constellation of incentives pushes them to react, or not, to such change.

It is important to keep in mind that stakeholders' confrontations are pervasive and take place at different levels: operational (day-to-day actions); public choice (rules concerning the operational level actions of actors); constitutional, i.e., the rules that govern the public choice level actions of actors (Ostrom, 1990, 1991, as referred to in Schlager & Blomquist, 1996, pp. 653-655); and during the whole policy cycle (Grindle & Thomas, 1991). All these levels are interrelated, but they

also diverge in their propensity toward change, with operational norms being the least difficult to change, and constitutional norms the hardest and most costly (Ostrom, 1990, 1991, as cited in the work of Schlager & Blomquist, 1996, pp. 653-655).

Also critical for the analytical framework is to acknowledge that when reforms aim at restraining public bureaucrats' power, bureaucrats have a comparative advantage vis-à-vis other stakeholders since they benefit from unique resources (e.g., they are in a situation of monopoly as regards the delivery of administrative services, they have at their disposal unique technical skills, information, etc.). In addition, as the *orthodox paradox* illustrates, bureaucrats are also often those in charge of adopting and implementing such reforms, and as such, face negative incentives to adopt them (Fritzen, 2006, p. 2).

- Research question n. 3: why does the OSS program perform as it does? How can its outcomes on the ground be explained (i.e., policy outcomes)?

2.1.3 Reforms outcomes and political consequences for power holders

In cases where the reform is a success (i.e., outcomes are in line with the objectives of the initiators), state institutions are reformed accordingly (t1, table 16) and political elites regain the power they previously lost (e.g., their legitimacy is shored up). The new power balance between state and society is institutionalized and since such shift takes place under the control of the power holders (via institutional channels at the disposal of the citizens), the new power balance is fundamentally no different from the previous one (the state institutions in t0 are fundamentally the same as in t1).

If the reform fails, the new state-society power balance is not formally institutionalized and this leads to political tension, which is unleashed by the mismatch between the political regime, political institutions, and the expectations of citizens (e.g., the legitimacy of power holders is not established).

Such political tensions can be channeled via the formal political institutions that structure state-society relationships if these are suited to managing them. (e.g., participatory mechanisms, accountability devices, checks and balances, oversight bodies, etc.). In this case, such tensions are expressed via institutional devices previously shaped by power holders and, while they do generate an institutional stress, they are still, at least formally, under their control.

Should this not be the case, political struggles take place outside formal political institutions (Cornwall, 2002, 2004); these are political spaces shaped by the people themselves (e.g., in extreme cases, this can lead to revolution, social unrest, riots). In this case, the consequences for the political elite can be dramatic.

- Research question n. 4: what are the political consequences (OSS program impacts) for the political initiators of such outcomes (policy impacts on the Vietnamese political regime)?

2.2 Some preliminary comments on the general analytical framework

2.2.1 Dynamic model of institutional change

The analytical framework supports a dynamic model of institutional change and this is due to the fact that there is a permanent tension between a given societal power balance and the political institutions. The pressure unleashed by the relative fit between these two elements is what animates the political process and explains the permanent motion of institutions.

2.2.2 Institutional change: a long discretionary process

The general analytical framework explains institutional change as a long and complex process. According to the framework, an alteration of the societal power balance (either due to exogenous or endogenous change agents) triggers the reaction of power holders that will use their institutional power to contain such changes by modifying institutions according to their strategic interests.

If power holders succeed in adapting institutions, then institutional change will occur in discretionary terms; this is, in fact, managed within the institutional setting, is steered by power holders themselves, and is done in a way that serves their strategic interests.

By contrast, if power holders do not succeed in containing the effects of the alteration of the societal power balance (because the institutional environment does not provide the enabling incentives), then the institutional status quo is maintained. The mismatch between the power balance and the institutions continues nevertheless to exert a pressure for change. As such, institutional change is a long process that involves the interaction and negotiation of multiple stakeholders.

Even harder to change is a political regime, given that that which characterizes it are its particular political principles and norms, whereas the change of a political institution implies only, relatively speaking, a change in the political rules and decision making procedures.

While the framework is not well-suited to explain radical political change, it can integrate the fact that changes can be modified backward over time. This is explained by the political economy of policy implementation. If the power balance has been altered only temporarily as a consequence of a modification in the agents of change, then institutional change may occur, but this will not be sustainable.

2.2.3 Policy outcomes: no clear cut results

While for reasons of clarity the framework presents a “black or white” situation, i.e., either political institutions are fully reformed or reforms fail and institutions are not reformed ($t_1=t_0$), the political economy of reforms plays out in more of a complex and fuzzy middle ground, where reforms may be entirely or partially adopted or rejected, some elements fully integrated, others distorted, etc.

Even if the analytical framework does not specify which, it has to be interpreted as a continuum where the two conceptual extremes are *reform adopted* and *reform rejected* (see Political Institutions (t_1) in table 16). The degree of adoption explains the degree of pressure exerted on the political institutions (t_0) to adapt to the new power environment.

2.2.4 Technical vs. symbolic policy results

The results of reforms, as discussed in the next parts of this research, need also to be captured in their symbolic and rhetoric dimensions. In fact, although institutional reforms do not fully succeed in reforming institutions as expected, policy initiators may still claim symbolic benefits and credits simply by publicizing their commitment to taking action to change a situation considered (objectively or not) as not being satisfying (Pollitt & Bouckaert, 2004).

Even if not explicitly stated, the general analytical framework captures this aspect: by claiming symbolic credits, political elites can shore up their legitimacy and enhance their political power, prestige, and image. In this case, even though institutions have not been reformed according to the will of their initiators, pressure to reform political institutions – that is, measured by the fit between institutions in t_0 and t_1 – can actually still be weak, given that poor technical policy outcomes are balanced by high symbolic benefits for power holders.

2.2.5 Political elites and bureaucrats

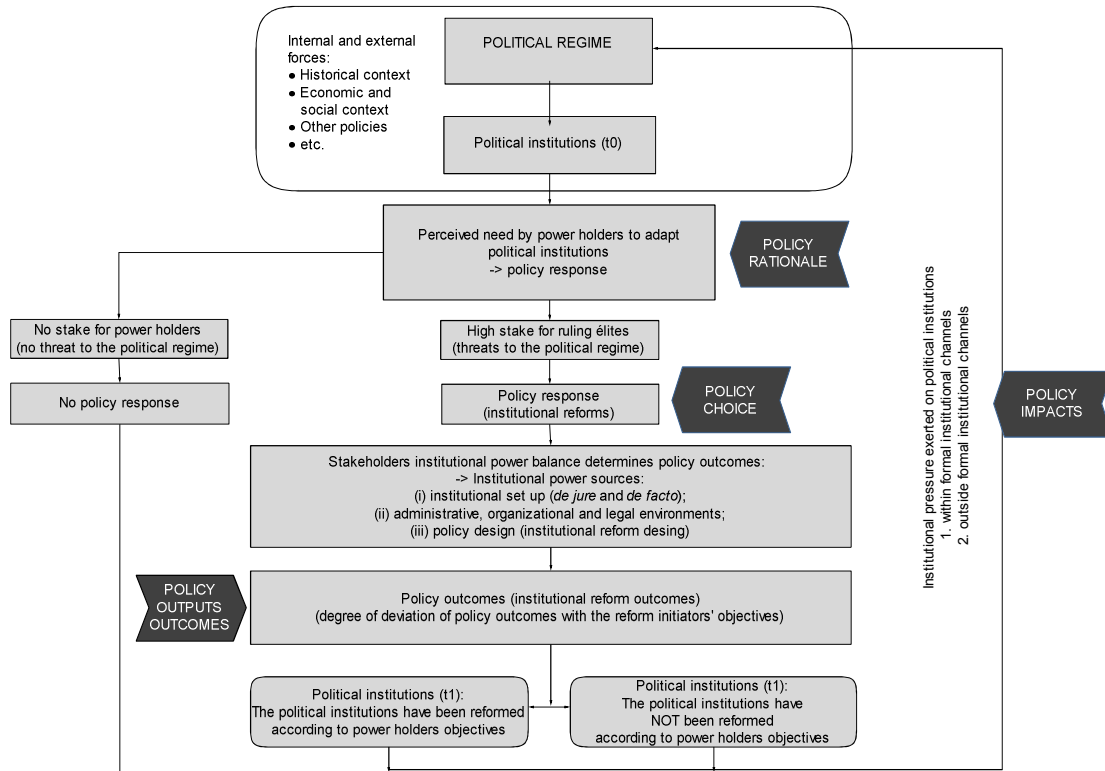
In some institutional settings, the distinction between political and bureaucratic organizations is fuzzy. This is especially true for Vietnam, where the bureaucracy has traditionally served as the administrative arm of the party (Vasavakul, 1996). In such settings, the strategic interests of the political actors and bureaucrats may overlap and it may be hard to distinguish.

It is important to keep in mind, however, that political actors and state institutions are not “organic and undifferentiated” actors (Migdal et al., 1997, p. 17); on the contrary, depending on the situation and on the context, political elites do not necessarily share the same strategic interests vis-à-vis the reform and do not have the same expectations/objectives.

The same is true for bureaucrats: their interests may diverge depending on their positions within the administration (e.g., the head of a local government may not have the same interests as a top ministerial official sited in an office in the capital). In addition, the same head of a local government may also have multiple and conflicting interests vis-à-vis a reform (e.g., he may want to promote a clean administration, but at the same time he wants to accept overcharging citizens for the provision of administrative services in order to have at his disposal substantial financial resources).

In order to capture all these elements, the analytical framework has been designed with the intent to identify all the different stakeholders involved in a given reform; it also integrates their multiple and conflicting interests and, in order to qualify their capacity to alter policy outcomes according to their strategic interests, allows for an assessment of their institutional relative power balance.

Table 16: Political regime and institutions: a general analytical framework



PART IV: OSS OUTCOMES ON THE GROUND – FINDINGS

This part presents the empirical data of this research. After briefly explaining the OSS program, I present the logical framework of the initiative and the expected outcomes.

OSS outcomes on the ground are measured via a composite index, that is, the OSS Performance Index (OSSPI); the index is composed of three sub-indices, namely: transparency, responsiveness, and accountability.

1. Introduction

The OSS program is part of an overall strategy of public administration reforms in Vietnam. While important measures had been taken before 1995 to change state administrations and authority relationships between public institutions (e.g., the 1992 new Constitution that redefined the role of public agencies, the NA, the Government and the Judiciary, etc.) the PAR program was officially endorsed in 1995 by the 8th Plenum of the Central Committee.

The Resolution set out the guiding principles of PAR to come (Vasavakul, 2002, p. 10):

- “The three forms of state power, Legislative, Executive, and Judicial are inseparable, although there is a separation of tasks among the three”;
- “The administrative system is the executive branch of the state. The Government exercises macro-level management. There is a separation between administrative management, economic management, and the provision of public services”;
- “Within the administrative system, power is centralized within the central Government, but tasks are delegated between Government members and institutions”;
- “Executive power is based on the rule of law”
- “Democratic centralism”

In 1998, a PAR Steering Committee was established. It was headed by the Prime Minister who was “responsible for overall monitoring and guidance of the PAR process” (UNDP, 2002, p. 5). Steering Boards were set up in every ministry and province in the country.

In 1999, the party decided that it was imperative to “examine and readjust the functions, responsibilities and structure of the Government ministries, Ministerial agencies and local Government agencies” (Party Central Committee, as cited in UNDP, 2002, p. 5).

A review of PA achievements was requested in that year and “five task forces were set up, each drawing on personnel from Government agencies and the Party” (Painter, 2003a, p. 260). They were asked to assess PAR from five areas: “political orientation, institutional reform, organizational restructuring,

human resource management, and public finance management” (ibid).

The main recommendations of the review were endorsed by the 9th National Party Congress and the Prime Minister asked for “the development of a strategic and long term PAR program of the Government” (Vietnamese Government official website³⁰). In September 2001, the Prime Minister signed the “*Decision No. 136/2001/QĐ-TTg on promulgating the PAR Master Program for the 2001-2010*” (ibid).

Master Program key strategic objectives are (UNDP, 2002, p. 7-8):

- “Redefining roles, functions and organizational structures of the agencies in the administrative system: (...) redefine roles and functions of the Government, ministries, and agencies at the ministerial level”;
- “Modernization of the public administrative system: (...) renovate the management modality of the administrative system; (...) introduce information technology in the operation of administrative management and public services delivery agencies”, etc.;
- “Development and improvement of quality of civil servants and public cadres: (...) renovate the service classification system, issue the standardization system of civil servants and public cadres; (...) carry out decentralized personnel management; (...) reform training and retraining modalities of civil servants and public cadres”, etc.;
- “Salary reforms (...): improve minimum salaries; apply non salary incentive schemes”, etc.;
- “Renovation of formulation, and issuance, and improvement of quality of legal normative documents (...): reform cooperation modalities and task assignment among agencies involved in the process of preparing and issuing legal documents; (...) reform rules and procedures of preparing and issuing legal documents”, etc.;
- “Renovation of financial management mechanisms for administrative and public services delivery agencies (...): establish new criteria for budget formulation and allocation for administrative agencies based on output oriented, quality, and task fulfillment standards; (...) introduce a block grant mechanism in administrative agencies”, etc.

1.1 The One-Stop-Shop program in Vietnam

The OSS initiative in Vietnam was first launched in 1991 in Ho Chi Minh City. It was meant to “improve the business environment for foreign investors willing to invest” in the country (SDC, 2005, p. 14). The OSS mechanism “aimed to provide a single door service delivery system for public administration that would reduce transaction costs and speed up registration and certification approvals for their investments”. (ibid).

In 1994, the Prime Minister, with the objective to provide “a legal basis for the extension of the OSS principle to administrative procedures and the handling of

³⁰ Retrieved on 24 February 2012 from <http://caicachanhchinh.gov.vn/PortalPlus.aspx?/en-US/News/71//10303//>

dossiers submitted by citizens and Vietnamese organisations” (SDC, 2005, p. 14), adopted Resolution 38/1994/CP³¹.

Resolution 38 aimed at improving administrative procedures in six areas: Department of Planning and Investment, Administrative Land, Land and Housing, Construction, City Chief Architect’s Office, and City PCnl (SDC, 2005, p. 14).

In 1996, the central authorities started “to amend related regulations and facilitate the pilot implementation of the OSS programme at local level” (SDC, 2005, p. 14). The first OSS mechanism for public service delivery was set up in Ho Chi Minh City in 1995; by 1997, four cities and provinces (Hanoi, Hai Phong, Binh Duong and Hoa Binh) had also launched their delivery mechanisms (UNDP, 2003, p. 2). Based on these experiences, the national authorities selected one of the many models considered to be the most performing and decided to replicate it throughout the nation.

In 2003, Decision No. 181/QD-TTg³² was signed by the Prime Minister (SDC, 2005, p. 14). Its aim was to scale up this model throughout all the country’s administrations, that is, in 64 provinces, in 611 districts, and in all 10’602 Vietnamese communes by 2004.

1.1.1 Services provided Through One-Stop-Shop at commune level

As this research focuses only on the commune level, only commune level service delivery is considered. According to MoHA guidelines and in line with PMD181, commune authorities are meant to provide via OSS the following services³³:

Table 17: Core PAS to be provided via commune level OSS

N°	Group of services	Services
1	Notarization, authentication	<ul style="list-style-type: none"> - Authenticate signatures and testaments - Confirm the declaration of individual's date of birth, place of birth, fatherland, place of residence; full name, age, nationality, place of residence of parents and origin of the family - Residence registration permit
2	Construction affairs	<ul style="list-style-type: none"> - Confirm dossier of registering house ownership - Grant house construction license
3	Land administration	<ul style="list-style-type: none"> - Confirm land lease contract of households and individuals

³¹ Resolution No. 38/1994/CP on the reform of administrative procedures in handling dossiers submitted to citizens and organizations

³² Decision No. 181/QD-TTg Promulgation the Regulation on the Implementation of “One-Door” Mechanism in Local State Administrative Agencies

³³ According to a study carried out in 2004 by the DoJ of Quang Binh Province, commune authorities are responsible for dealing with 79 services or matters at commune level

N°	Group of services	Services
		<ul style="list-style-type: none"> - Confirm heritage of land use right - Confirm contract of land use right transfer for households and individuals
4	Civil status registration	<ul style="list-style-type: none"> - Punctually register for birth, marriage and death declaration - Confirm marital status, register for adopting children - Register the recognition of parents and daughter/son
5	Social affairs	<ul style="list-style-type: none"> - Confirm and appraise dossiers of death compensation for the deceased entitled to monthly social insurance pension - Prepare dossier of lump-sum pension for commune and district cadres - Carry out allowances and confirm copies notifying, revolutionary martyr, war invalid, relatives of old revolutionary men, children of war invalids and soldiers with war-caused diseases - Send war invalids to have their war injuries re-examined
6	Services of natural resources and environment	<ul style="list-style-type: none"> - Confirm the letter asking for permission to explore underground water for institutions or individuals who are without juridical personality and stamp - Confirm agreement between institutions, individuals exploring underground water for institutions or individuals entitled the right to use land with explored wells

Source: Adapted from Swiss Agency for Development and Coordination. (2004). *Reviews of One Stop Shop at commune and ward*. Vietnam.

According to PMD 181, each locality “must develop and implement OSS implementation plans in accordance with local context” (Ministry of Home Affairs [MoHA], 2004, p. 3), and additional services can be added accordingly. The request to add new services can also be formulated by the Provincial PC Chairman (MoHA, 2004).

1.2 Logical framework of the OSS program: inputs, outcomes, and impacts

The logical framework of the OSS program is the following:

IMPACTS

- Political impacts: enhance Party legitimacy and maintain political stability through a well-performing public administration
- Technical impacts: reduce poverty through a better-performing public administration

<p>EXPECTED OUTCOMES</p> <ul style="list-style-type: none"> ▪ Improve local administrations' responsiveness, transparency, and accountability vis-à-vis citizens so as to create a substantial change in the relationships between State agencies and citizens
<p>OUTPUT</p> <ul style="list-style-type: none"> ▪ Install and equip OSS in each province, district, and commune to respond to customers' needs ▪ Implement efficient workflows across administrative levels (commune, district, province agencies) when clients' files involve decisions from upper level agencies ▪ Monitor citizens' needs, expectations, and level of satisfaction so as to adjust the delivery mechanisms accordingly ▪ Disseminate to citizens information on their rights and duties with respect to public administration
<p>INPUTS</p> <ul style="list-style-type: none"> ▪ OSS program (Prime Minister Decision 181) ▪ Central and local staff resources ▪ Technical input from professional agencies within the Ministry of Home Affairs and other affiliated government agencies ▪ Financial input from donors involved in the program ▪ Etc.

Source: my own interpretation

The underlying concept of OSS "is to put the reception and delivery of various public administration services (...) that were previously provided by agencies in separate offices together under one roof" (SDC, 2005, p. 14). OSS agencies are new administrative structures that interface on one hand domestic and foreign, physical and moral persons seeking administrative services, and on the other hand bureaucratic bureaus responsible for the delivery of these services.

The expected outcomes of such program, as presented in the PMD181, are to create a substantial change in the relationships and problem-settling procedures between State administrative agencies and organizations as well as citizens, reduce troubles for organizations and citizens, combat red-tape, corruption and authoritarianism among State officials and employees, and raise the effectiveness and efficiency of the State management (PMD181, art. 1).

Whether the change has occurred is assessed via the measurement of the effect that the OSS program has had on the level of transparency, responsiveness, and accountability of communal authorities with regard to citizens' needs and

expectations. Such measurement is done via the OSS performance index (see next section).

1.2.1 Expected outcomes of the OSS program: transparency

The OSS program aims at enhancing transparency of state administration work at diverse levels. OSS guidelines stipulate that local authorities are responsible for informing citizens via information campaigns in order to inform customers of (i) services fees, (ii) conditions for applications (documents and other material needed to submit a request) and (iii) the time limits required to process the request, the idea being to inform customers on their rights and duties in respect of PA operations.

Transparency is also demanded in regard to administrative procedures for the treatment of applicants' requests, legal dispositions regulating the matter at stake, and legal procedures to settle disputes between citizens and the administration.

Enhanced transparency is also sought in respect of the legal framework regulating public administrative matters. PMD181 (art. 6) requires that local authorities enhance regulation coherence by annulling unnecessary regulations promulgated at local level that are in contradiction to, or overlap, national legislation.

1.2.2 Expected outcomes of the OSS program: responsiveness

Enhancing state administration responsiveness to citizens' demands is another expected official outcome of the OSS policy (SDC, 2002). Prior to the introduction of OSS, customers had to visit countless local department offices in order to have their requests processed (Templer, 1998). "Apart from being time consuming and inefficient" (a single service may require administrative procedures at commune, district, and provincial level), "this also created an environment in which bribery and corruption flourished" (Gainsborough, 2002b, p. 361). One of the very few comprehensive enquiries into this topic found that, for instance, "setting up a small guesthouse in Ho Chi Minh City requires the submission of 40 different documents that were stamped with 83 official chops and signed by 107 bureaucrats from 26 different offices" located in different places (Templer, 1998, p. 137). Furthermore, "at almost every step, officials would demand a *fee*" (ibid).

Through OSS, the idea is that customers interact with only one local public employee through one door, and this is where the customer hands in his request and receives it back. The whole procedure (transfer of the file from one department to another and between administrative tiers) is under the sole responsibility of the OSS. In some cases, clients' requests need to be processed also by upper administrative levels (e.g., land administration). In this situation, it is the administration that is expected to manage the file's transfer from one administrative level (i.e., commune) to higher levels (i.e., district and province), the idea being that the administrative level responsible for receiving the files is the same that is responsible for returning it to the applicant (SDC, 2004).

Another official output expected of the OSS program is where local authorities define the provision of services based on clients' preferences. PMD181 requires

that local authorities, in addition to a core group of services that have to be provided through the OSS (e.g., business registration, land and construction affairs, social services, etc.), enrich services provided through the OSS according to requests and expectations (e.g., tax collection, agricultural extension credits, etc.) and local specificities (art. 5). In this way, it is expected that local authorities adjust the delivery mechanism (range of services, opening/working hours, etc.), and monitor citizens' needs so as to ensure continuing improvement of services delivery.

1.2.3 Expected outcomes of the OSS program: accountability

Enhancing bureaucrats' accountability is also another objective of the OSS initiative. PMD181 Article 2 states that "this mechanism aims to create a substantial change in the relationships and problem-settling procedures between State administrative agencies and organizations as well as citizens (...)". MoHA operational guidelines explicitly state that the OSS objective is also to "improve the accountability and behaviors of cadres and civil servants towards citizens and organizations" (MoHA, 2004, p. 2).

2. Findings – OSS outcomes on the ground

The present section concerns the results of the OSS program as observed on the ground. The results are presented in a qualitative and quantitative manner. The idea is to complement qualitative field data with a quantitative aggregate index that is meant to reflect an OSS program performance index for all 18 communes. The primary data collected are clustered into three sub-indices, namely: transparency, responsiveness, and accountability.

2.1 Construction of the OSS Program Performance Index (OSSPI)

The construction of indices to measure "quantitatively complex phenomena" (Mekong Economics, 2006, p. 14), such as the adoption of the good governance programs, raises important issues (see, for instance, Mekong Economics, 2006).

Indices "are approximations of what they seek to measure" and "have to face issues of aggregation, data truncation and weighting" (Mekong Economics, 2006, p. 14). In order to address these issues, this research strictly follows the recommendations formulated by McCarty (Mekong Economics, 2006, p. 16). First of all, in order to minimize the aggregation issue, one should apply "similar and transparent aggregation rules to the whole data set" so as not to "leverage the values too heavily through complex mathematical manipulation" (ibid).

As for data truncation, one should avoid the potential risk of overlooking "the differences between groups" and "misrepresent[ing] opinion" (ibid) that can result from defining the ranking of attitudinal indicators in terms of a fixed number of groups (e.g., strongly agree, agree, disagree, and strongly disagree). Finally, as for the issue of weighting the various indicators, "it involves normative judgments" (ibid). One should proceed by keeping "it simple and to weight the various indicators based on the literature and on experience in the field" (ibid).

The objective of the construction of an aggregate OSS Program Performance

Index (OSSPI) for this research is to complement the presentation of primary data in a quantitative manner. The intent is thus to quantify the effectiveness of the OSS program, (i.e., to measure the gap between the program objectives and the results on the ground, with a quantitative measure that is meant to present this gap easily and clearly). The OSSPI is also available for each locality assessed and for each sub index that composes it.

OSSPI is a synthetic composite measure that is a figure which ranges in value from 1 to 10, lower to higher. The OSSPI is an absolute, and not a relative, index. Localities are ranked on a 10-point scale, where 10 points are given to a locality that has carried out full OSS adoption as prescribed by PMD 181 and by OSS implementation guidelines. In other terms, if a locality scores 10 points, this means that it has adopted all the prescriptions indicated in those documents, and that their adoption has been done completely (i.e., the locality has fully adopted all the improvements concerning the transparency, responsiveness, and accountability of administrative services delivery related affairs; all sub-indices have scored the maximum). For this locality, the degree of effectiveness of the program is therefore the maximum.

While PMD 181 sets out OSS program implementation principles, OSS implementation guidelines are an operational document prepared by the MoHA with the objective of providing guidance to local authorities in the process of setting up and then running OSS. The document sets out responsibilities and tasks that have to be performed by local authorities and civil servants in relation to the implementation and operation of OSS. This includes, for instance, how to set up an OSS venue and its facilities; how to re-engineer working processes for the reception, processing, and delivery of PA services; the range of services to be provided through the delivery mechanism; basic performance management indicators; and other sets of responsibilities.

2.1.1 Methodology for the construction of the index

Given that the questionnaires have been designed in such a way so as to identify systematically to which extent such tasks have been performed, it has been easily possible to formalize each of them into indicators of the OSSPI. All indicators have been grouped into three sub-indices, namely, commune level authorities' enhanced transparency, responsiveness, and accountability with regard to PASD.

Each one of these three sub-indices is equally weighted as 1/3 of the OSSPI.

Table 18: Sub-indices weightings of OSSPI

N°	Sub-indices	Value
1	Transparency	33%
2	Responsiveness	33%
3	Accountability	33%

	Total	100%
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Source: my own representation

Each sub index is made up of indicators that are assessed using one or more qualitative measures (e.g., the qualitative assessment of the answers given by local cadres about a specific topic related to an indicator) and/or one or more quantitative measures (e.g., number of given actions performed by local authorities). The qualitative and quantitative measures are then translated into a figure that indicates the gap between expected results and results observed, ranked from 0 to 10; 10 corresponds to full compliance with OSS legal and operational provisions, 0 equals total non-compliance with OSS guidelines.

All sub-indices, all indicators, and all measures are weighted equally.

Table 19: Sub-indices and indicators

	Sub-indices	N°	Indicators
	OSSPI	Transparency	1.1
1.2			Adequacy of information provided to citizens inside and outside the OSS
Responsiveness		2.1	Adequacy of services delivery to meet people's needs and expectations
		2.2	Lawfulness of charged fees and costs paid by applicant for the delivery of the service
		2.3	Financial sustainability of OSS
		2.4	Managerial commitment to ensure the performance of OSS
		2.5	Effective mechanisms set up by local authorities in favor of citizens for their participation in decisions concerning administrative services delivery related affairs
Accountability		3.1	Local authority commitment to account for their actions in relation to OSS to citizens
		3.2	Effective oversight of local PCnls over OSS related affairs

Source: my own representation

Table 20: OSSPI, indicators and measures

N°	Indicators	Measures
Transparency sub index		
1.1	Visibility of information related to services fees, delivery time limits, and conditions for application of dossiers	<ul style="list-style-type: none"> ▪ Whether information boards exist; ▪ The quality of the information posted; ▪ The feedback of OSS clients that were asked if services fees, delivery time limits and conditions for application were clear to them;
1.2	Adequacy of information provided to citizens inside and outside the OSS	<ul style="list-style-type: none"> ▪ Whether local administration has ever carried out at least one information campaign in the villages; ▪ The feedback of OSS clients that were asked whether the information provided outside the OSS venue concerning OSS related affairs was adequate; ▪ Whether local officials have displayed in the OSS venue information related to recently issued legal regulations, complaint and denunciation procedures, local budget or information related to the running projects financed by local budget
Responsiveness sub index		
2.1	Adequacy of services delivery to meet people's needs and expectations	<ul style="list-style-type: none"> ▪ Since the opening of OSS, one of the following elements has been adapted at least once: <ul style="list-style-type: none"> - OSS timetable; - the frequency of services delivery; - the range of services delivered; - the procedure related to the transfer of the dossier to the higher administrative echelon; ▪ Feedback of OSS clients that were asked if the delivery modalities of OSS were in line with their expectations;
2.2	Lawfulness of charged fees and costs paid by applicant for the delivery of the service (no extra fees accepted)	<ul style="list-style-type: none"> ▪ Whether official services fees charged to applicants were identical to those set by the Ministry of Finance (MoF); ▪ Whether services whose fees were not regulated by the MoF were officially provided free of charge; ▪ The feedback of OSS clients that were asked if, since the implementation of OSS, they had noticed a change in the behavior of civil servants with regard to their disposition to extract extra money from clients;
2.3	Financial sustainability of OSS	<ul style="list-style-type: none"> ▪ At least 25% of the proceeds generated by OSS re-invested in the OSS;
2.4	Managerial commitment to ensure the	<ul style="list-style-type: none"> ▪ Qualitative assessment of the corrective actions taken and suggestions for improvement formulated by local cadres in relation to OSS performance;

N°	Indicators	Measures
	performance of OSS	<ul style="list-style-type: none"> ▪ Qualitative assessment of the collaboration between OSS staff and the Heads of functional departments with regard to OSS management; ▪ Whether lessons learned were shared with upper level competent agencies with a view to setting up a national database;
2.5	Effective mechanisms set up by local authorities in favor of citizens for their participation in decisions concerning administrative services delivery related affairs	<ul style="list-style-type: none"> ▪ Qualitative assessment of the mechanisms set up by local authorities in order to include citizens in decision making concerning: <ul style="list-style-type: none"> - the range of services that should be added to the OSS; - the delivery modalities of OSS (e.g., timetable, the frequencies of services delivery, etc...); - other issues related to OSS adequacy to clients' needs;
Accountability sub index		
3.1	Local authority commitment to account for their actions in relation to OSS to citizens	<ul style="list-style-type: none"> ▪ Qualitative assessment of the answers provided by local officials concerning how illicit bureaucratic practices are prevented, managed, and solved; ▪ Qualitative assessment of the modality chosen by local authorities to notify clients when a delay in the delivery of the service occurs; ▪ Qualitative assessment of how local authorities manage people's complaints and denunciations with regard to administrative service affairs; ▪ Feedback of OSS clients that were asked if, in case of wrongdoing, they would trust that local authorities would effectively take action against a guilty bureaucrat
3.2	Effective oversight of local PCnls over OSS related affairs	<ul style="list-style-type: none"> ▪ Qualitative assessment of the capacity of local officials to mention the concerns and expectations of the members of the PCnls vis-à-vis the results and the performance of OSS

Source: my own representation

2.2 Presentation of the findings: assessment of One-Stop-Shop initiative results on the ground

The translation of the effectiveness of the OSS program into an aggregate index has not been done for statistical purposes; in fact, according to literature, statistical data processing can be performed from a sample of 30 units (Dodge, 2002); the number of case studies of this research (18 communes assessed) is not enough to perform any type of data correlation or to draw conclusions on such statistical tests.

2.2.1 Transparency

One-stop-shop implementation guidelines – expected results

According to United Nations Economic and Social Commission for Asia (UNESCAP) and the Pacific, “transparency means that decisions taken and their enforcement are done in a manner that follows rules and regulations. It also means that information is freely available and directly accessible to those who will be affected by such decisions and their enforcement” [UNESCAP, official website]³⁴. In such light, “a lack of transparency may be described as (...) deliberate withholding [of] access to, or misrepresenting information or failure to ensure that the information provided is of adequate relevance and quality” (Vishwanath & Kaufman, 1999, p. 3).

MoHA prescribes that OSS has to charge the customers for the delivery of administrative service according to the fees regulated by the MoF³⁵. Local authorities are expected to post such fees clearly (e.g., the fee for the issuance of business registration certificates is 30'000 Vietnam Dong (VND)³⁶. For those services whose fees are not regulated by the MoF, local authorities have to deliver them free of charge (SDC, 2004, p. 16).³⁷

MoHA operational guidelines also prescribe that local authorities clearly post in a convenient and visible way the time limits required for the provision of these services. For instance, the notarization and authentication of official documents have to be done on the same day, the issuance of business registration certificates has to be provided for in a maximum of 7 days, etc. (SDC, 2002). According to the operational guidelines, if customers' applications are not processed within the regulated time frame, local authorities have an obligation to notify, as soon as possible, the citizens concerned the reasons for such delay.

Local authorities are also meant to post clearly the entire set of documents and administrative forms that are required in order to submit a valid request. For instance, in order to have a complete and lawful application to register a new business, an applicant has to submit to the OSS (i) a completed official business form that is provided by the administration, (ii) a household registering book or a copy of his passport and, (iii) in cases of conducting a business line that requires a practicing certificate, a valid copy of his practicing certificate must be enclosed with the application (SDC, 2002).

According to MoHA guidelines, applicants should be informed about services fees, time limits, and conditions for applications in two different ways, namely, information boards and leaflets (2005). According to local needs and specificities - that have to be identified and assessed by local authorities - additional

³⁴ Retrieved on 24 February 2012 from

<http://www.unescap.org/pdd/prs/ProjectActivities/Ongoing/gg/governance.asp>

³⁵ Decision No 57/2000/QD-BTC on 20/4/2000 of the Minister of Finance on the fee rate for civil status registration; Circular No 93/2001/TTLT/BTC-BTP on 21/11/2001 of the Ministry of Finance on the guideline for the procedure to collect, hand in, and manage the spending of the notary fee

³⁶ Prices in 2006

³⁷ At the time of the field studies (2005 and 2006), nearly 50% of administrative services delivered by local authorities were not regulated by the Ministry of Finance

dissemination tools can be used. Information boards, which are hung on the walls of OSS venues or outside, have to display the list of services provided and their relevant fees; they also have to inform applicants of the administrative procedures and application conditions (SDC, 2005, p. 23).

The second tool suggested by the MoHA is the OSS leaflets. They have to contain the same information as that on the information boards and have to “be located in the OSS waiting area and near the counters” (SDC, 2005, p. 23). In order to prevent costly solutions, leaflets can be simple A4 hard copies of the regulations and administrative procedures that need to be followed.

Services fees, time limits, and conditions for application should be made clearly visible and accessible not only at the venue of OSS. The OSS guidelines also prescribe that such information has to be disseminated to citizens directly in their villages, using appropriate tools and modalities (SDC, 2005). In order to ensure that such information is disseminated in the most suitable way to the population, citizens should be integrated in the definition of such task and provide feedback. Local authorities are in charge of setting up the dissemination mechanism. On the same occasion, local leaders should take advantage of this exercise of dissemination also to publicize other relevant information to the public, such as new regulations and legal provisions that may be of direct interest to them.

OSS implementation guidelines, in line with Decree 79 on Grassroots Democracy and the Budget Law, also specify that the OSS should operate as an information center “where people can also receive all kinds of public information”, (e.g., commune budgets, legal regulations, etc.), or “any other public information or Government announcements that would serve the people” (SDC, 2005, p. 23). The venue should be used to display all the local administrative information relevant to citizens at local level - e.g., citizens’ rights and obligations, local budgets, running projects funded by local budgets, etc. (SDC, 2004, p. 26).

The objective of improving PA services delivery transparency is to inform citizens on official regulations so as to prevent them paying extra charges to bureaucrats.

It is in such spirit that PMD181 and MoHA guidelines emphasize the importance of not charging clients extra fees and extra charges. Bureaucrats are requested to charge clients only for the service that is provided and in accordance with the fees set by the MoF.

Such point is of crucial importance; every official document issued by the Government in relation to the OSS program stresses the significance of such aspect. For instance, in the introductory chapter of the MoHA guidelines, it is stated that the OSS is expected to “prevent corruption, bureaucratic and authoritarian behaviors of some cadres and civil servants; reduce harassments borne by citizens and organizations once they ask for services from local State administrative agencies” (MoHA, 2004, p. 2). In the same vein, PMD181 Article 1§2 specifies that “the implementation of one-door mechanism aims to (...) reduce troubles for organizations and citizens, combat red-tape, corruption and authoritarianism among state officials and employees (...)”.

Transparency sub index composition

The transparency sub index is composed of these indicators:

1. Visibility of information related to services fees, delivery time limits, and conditions for the application of dossiers

The measurement of the quality of the information provided to clients concerning services fees, delivery time limits, and conditions for the application of dossiers is based on (i) whether information boards exist, (ii) the quality of the information posted (i.e., whether all the relevant information is posted and how it is communicated)³⁸, and (iii) the feedback of OSS clients who were asked if services fees, delivery time limits, and conditions for application were clear to them. All measures are weighted equally.

2. Adequacy of information provided to villagers in relation to OSS existence, operations, and functions

The measurement of the degree of adequacy of the information provided inside and outside the OSS in relation to delivery affairs is proxied by whether local administration has even carried out at least one information campaign in the villages with the objective of informing citizens about the existence, operations, and functions of the OSS (the onus is on them to decide how and when). The second measurement was done based on the feedback of OSS clients who were asked if the information provided outside the OSS venue concerning OSS related affairs was adequate.

Finally, this indicator was also measured via the assessment of whether the OSS operates as a local information center, as prescribed by Decree 79 and the Budget Law, where information related to the local budget, running projects financed by the local budget, or other administrative and legal matters of interest to citizens, such as complaint and denunciation procedures, was posted in the OSS venue.

Findings on the OSS outcomes on transparency

1. Visibility of information related to services fees, delivery time limits, and conditions for the application of dossiers

Almost all the OSSs assessed provide an information board containing information on (i) the list of administrative services provided via the OSS, (ii) the fees charged by the administration, and (iii) the time limits of services delivery (SDC, 2004, p. 20). In the majority of OSSs visited, the information panel is suspended "either in the OSS or on PC building entrance walls. In a few cases, the board is outside the building, in the PC compound courtyard"³⁹ (SDC, 2004, p. 20). Some communes also provide leaflets for their clients (e.g., Ward 2,

³⁸ Given that I personally cannot read the Vietnamese language, the assessment of the content was performed by a SDC field officer who was part of the evaluation team

³⁹ Mong Tho A and Mong Tho B Communes, Kien Giang Province

Hanoi).

Concerning the OSS information board content, first of all it has to be stressed that no OSS provides the full information required: either the fees or delivery time limits of certain services is missing, the procedures for application incomplete or unclear, or the boards are not up-to-date with the type of services provided. Although some services are no longer delivered through the OSS, in some cases, they still appear on the boards as being provided via the delivery mechanism.

Having said that, Tan An communal authority (Quang Nam province) provides templates of the administrative forms and copies of legal documents in relation to the services provided.

As for the quality of information provided on the boards, only one commune has tried to simplify legal and technical provisions into practical and valuable information for clients (Cuc Phuong, Ninh Binh province).

OSS clients interviewed in the localities have, in a very large majority of cases, admitted that they preferred to address their questions directly to functional officers, OSS employers, or PC cadres rather than seek the information by themselves on the information boards (SDC, 2004, p. 24). In this regard, such information has been qualified as being too technical and not very useful in preparing a service application. This situation is even more dramatic for clients with low level reading skills or who do not master the Vietnamese language (for instance, in remote ethnic minority regions). It has been observed that even in those localities populated by ethnic minorities who speak local dialects (e.g., Ninh Binh or Tra Vinh Provinces), the information posted in the OSS was only in the Vietnamese language.

Although room for improvement with regard to the quality of information display does exist at local level, it has to be stressed that client feedback confirmed that such information was welcome since information boards relatively contribute to a more transparent administration (SDC, 2004, p. 30). This positive perception has been confirmed by other studies conducted in Vietnam. For instance, in an ADB assessment (2003b), the client survey stated that in relative terms local administration transparency via information boards was a positive outcome of the OSS program.

2. Adequacy of the information provided to citizens inside and outside the OSS venue

Of the 18 commune localities assessed, only in 2 of them has OSS information been disseminated at least once to villagers. For instance, in My Hoa commune in Tran Vinh province, information related to state institutions and OSS related affairs was disseminated via local religious leaders. In this commune, “more than 30% of the population is of Khmer ethnic minority” (SDC, 2004, p. 21). “Considering the high involvement of religious leaders in Khmer society, commune officials and Buddhist monks collaborate in order to ensure systematic dissemination related to public administration and OSS issues to the citizens” (ibid). After being briefed by cadres, monks organized in the commune main temple a meeting with Khmer representatives, where the latter were informed on

administrative novelties.

Another example is Cuc Phuong commune (Ninh Binh Province), where 96% of the villagers belong to the Muong ethnic minority (SDC, 2004, p. 21). Although Muong are integrated into society, Vietnamese public institutions are hardly represented in far remote Muong villages (ibid). “Socially organized under a village chief who represents the community, Muong people in remote areas seem to rely on their leaders for issues concerning PA and regulation” (ibid). When villagers gather in meetings once a month, their leaders disseminate, among other topics, information related to administration and OSS issues (ibid).

In Da Nang, street speakers have been used to disseminate information regarding OSS. In particular, the information concerned the range of services provided by the delivery agency. In My Hoa (Tra Vinh province), local cadres have combined the dissemination of OSS information with an ongoing health care information campaign at village level.

The feedback of OSS clients also clearly demonstrates that OSS awareness is very low among people (SDC, 2005, p. 23). These findings have been confirmed also by a study performed by ADB (2003b, p. 7). While most of the people interviewed have heard about an administrative delivery mechanism in their locality, only a very small minority was able to cite at least one type of service provided via the delivery mechanism. Information dissemination outside the OSS has been evaluated by clients as insufficient (SDC, 2005, p. 23).

As to whether the OSS operates as a local information center, as prescribed by Decree 79, only in two localities assessed (Cuc Phuong commune, Nim Binh province; Dong Thap ward, Hanoi City), was information regarding legal material, local budget and/or running projects financed with the local budget accessible to citizens. In the others, the OSS clearly did not operate as a local information center.

The fact that information dissemination at commune level has been carried out negligently is expected to have a direct impact on the awareness of villagers of their political rights and governance related issues. This is especially important in rural and remote settings, where citizens largely depend on local officials for access to information relating to governance issues, for example, new Government policies, Government related matters, citizens’ civic and political rights, etc. (SDC, 2005).

Table 21: Transparency sub-index aggregated of all localities assessed

N°	Indicators	Measurement of the indicators	Average score for all commune assessed ⁴⁰
1.1	Visibility of information related to services fees,	<ul style="list-style-type: none"> ▪ Whether information boards exist; ▪ The quality of the information posted; ▪ The feedback of OSS clients that were asked if 	5.6

⁴⁰ 0 to 10, where 10 equals full compliance with legal and operational requirements, 0 equals no compliance at all

	delivery time limits, and conditions for the application of dossiers	services fees, delivery time limits and conditions for application were clear to them;	
1.2	Adequacy of information provided to citizens inside and outside the OSS	<ul style="list-style-type: none"> ▪ Whether local administration has ever carried out at least one information campaign in the villages; ▪ The feedback of OSS clients that were asked whether the information provided outside the OSS venue concerning OSS related affairs was adequate; ▪ Whether local officials have displayed in the OSS venue information related to recently issued legal regulations, complaints procedures, local budget or information related to running projects financed by local budget 	3.1
Transparency sub-index aggregated average score			4.3

Source: my own representation

2.2.2 Responsiveness

One-stop-shop implementation guidelines – expected results

According to PMD181 and MoHA guidelines, services delivery has to be organized in the most convenient way for citizens. This means that OSS opening times (i.e., when the OSS opens and when it closes) should be set according to citizens' needs (SDC, 2005, p. 19). Furthermore, given that the demand for services is not identical (i.e., the number of applications concerning, for instance, the issuing of a permit to build a house is considerably inferior to the number of applications related to the authentication of official documents), services delivery timetables and the frequency of provision are also important matters for citizens (SDC, 2005, p. 25).

The critical issue here is that commune OSS venues are often far from the villages, and citizens may have to travel hours before reaching the venue. In rural, mountainous, and remote areas, people tend to come to the commune (or to the district capital) mainly on market days. The synchronization of OSS delivery timetables is therefore important, especially to farmers who cannot dispose of their time as they wish because of farm animals or harvesting obligations (SDC, 2005, p. 19).

PMD181 prescribes also that a core number of administrative services has to be delivered through the OSS. At commune level, these are: the granting of construction of dwelling houses, land affairs, civil status affairs, and authentication (art. 4).

However, PMD181 specifies that, based on specific local needs and requirements, additional services need to be added to the OSS (art. 5). The identification of such specific local needs is under the responsibility of local authorities. In this regard, local authorities are expected to survey people's needs and expectations, and client satisfaction. While this is not a formal

obligation mentioned in PMD181 or in MoHA operational guidelines, such expectation was clearly stated to me during interviews with some officials of the MoHA in charge of the monitoring of the implementation of the OSS program.

Among the obligations of local authorities and in the interests of OSS customers, OSS legal dispositions require that for those services that demand the involvement of higher level functional departments, the entire procedure be managed by the administration. The certification of the transfer of land ownership is a good illustrative example.

The procedure is initiated at the commune OSS, where the functional officer in charge of land administration affairs validates the land transfer contract drafted by the contractual agents, and then certifies the land use right. Then the dossier has to be transferred to the district OSS. District authorities, having reviewed the dossier, will endorse the land use right transfer authorization (SDC, 2004, p. 16).

The procedure to build a dwelling is also worth mentioning. “The procedure is initiated at the commune OSS, where OSS staff verify the compliance of the request with the communal land allotment plan” (SDC, 2004, p. 16). Once completed, “the dossier is then transferred to the district OSS and finally, if the conditions for application are met, the authorization is endorsed by the district authorities” (ibid). According to legal disposition, the transmission of the files from the OSS to the district authority and back has to be done by the administration; under such condition, the client submitting a service application at commune level is assured that he can collect the service at the same place (SDC, 2004).

Legal and operational guidelines also prescribe that OSS financial viability has to be ensured so as to cover OSS set up costs and, once operational, also its running costs. Running costs are OSS fixed costs, costs related to the maintenance of OSS facilities and equipment, and lastly, the costs related to the inclusion of additional services to be provided through the OSS (SDC, 2004, p. 28). Funding of OSS “has to be estimated by relevant agencies and allocated from the State budget” (PMD 181, art. 10).

The transfer from the state budget is not done automatically, but conditioned by a formal request from local authorities. Regardless of whether the local budget is managed according to the principle of the block grant⁴¹, PMD 181 stipulates that local authorities have to prepare and submit to higher level units a financial proposal that contains the estimated costs and the eventual financial resources needed to set up and operate the OSS (SDC, 2004, p. 28). The template and the instructions on how to draft the financial proposal are provided by the MoHA. In addition, local DoHA at provincial level are meant to provide guidance to local authorities for the drafting of financial proposals (PMD art. 18).

It is also important to highlight that the State Budget Law stipulates that “the fees

⁴¹ Since 2002, with the issuing of PMD 192 and Decree 10, State Budget financial transfer to the local administrative is done via a block grant that is fixed for three years; local authorities that have so requested can benefit from a relatively large autonomy in the use of State funding.

collected by an OSS must be transferred to the State Treasury” (SDC, 2005, p. 24). This agency then returns a share of it to the commune⁴², according to its “size and its level of urbanization (e.g., city level 1, city level 2, town level 1, town level 2, etc.)” (ibid). The principle for allocating the sum, returned by the Treasury, between the PC and the local administrative departments is not formalized nor regulated by law, i.e., “it depends entirely on the discretionary will of the PC Chairman” (ibid).

The operational management of the OSS is critical to ensuring OSS performance. In this regard, OSS guidelines acknowledge that local authorities are competent to:

- Manage OSS performance:
 - Systematically improve services delivery performance
- Collaborate with heads of functional departments in order to:
 - Coordinate and improve OSS performance
 - Disseminate legal material that regulates administrative services delivery
- Collaborate with provincial and national agencies for improving OSS performance
 - Provide feedback to upper level authorities and the MoHA on potential improvement opportunities of OSS performance so as to share nationwide best practices and lessons learned

Responsiveness sub index composition

The responsiveness sub index is composed of the following indicators:

1. Adequacy of services delivery modalities to meet people’s needs and expectations

The measurement of the degree of adequacy of services delivery to meet people’s needs and expectations is done in two ways. Firstly, it is based on the idea that if one of the following elements has been modified at least once since the opening of the OSS, and if such modification is linked to the willingness to better serve the citizens, then local cadres are responsive to local needs. These elements are: (i) the OSS timetable (i.e., the opening and closing hours of the OSS); (ii) the frequency of services delivery (for those services that are not delivered 5 days a week, the days of delivery have been changed at least once); (iii) new additional services having been added to OSS; and finally, (iv) for those services that require the involvement of higher administrative units (e.g., granting of the authorization to build a dwelling house), the effectiveness of the procedure related to the transfer of the dossier to the higher administrative echelon and back having been evaluated at least once.

If these elements have never been modified since the opening of the OSS, there may be the possibility that OSS delivery modalities were perfectly in line with clients’ expectations from the outset. In this case, cadres were asked to explain

⁴² For instance, for an average urban commune, 40% of OSS proceeds are returned by the State Treasury to the locality

why and how they came to such conclusion.

The second measurement of this indicator is based on the feedback of OSS clients who were asked if the delivery modalities of OSS were in line with their expectations (e.g., timetable, service provision frequency, OSS venue localization, etc.).

2. Lawfulness of fees charged and costs paid by applicant for the delivery of the service (no extra fees accepted)

The second component of the responsiveness sub index is the level of adequacy between the fees charged to the clients and the official fees that shall be applied according to the MoF. For this second component, three situations can be envisioned. First, the administration officially charges the exact fees prescribed by the MoF (for instance, the issuance of a business registration certificate costs 30'000 VND and the administration officially charges 30'000 VND). A second situation is when the local administration officially charges more than that which the MoF has regulated; in this case, instead of charging 30'000 VND for the issuing of a business license, the administration officially charges 50'000 VND. This price is posted on the information boards and listed in the information leaflets, if any. The third case is when the bureaucrats, instead of charging the official fees set by the administration, charge more, and this regardless of the fact that the official fee is, or is not, in line with the disposition of the MoF. For instance, the official fee displayed on the information board is 30'000 VND for the issuing of a business license; in this case, the civil servant unofficially charges more than 30'000 VND.

The measurement of the degree of compliance of bureaucratic practices with regard to the fees charged to clients was done via (i) whether official services fees were identical to MoF instructions; (ii) whether services whose fees were not regulated by the MoF were officially provided free of charge; and (iii) the feedback of OSS clients who were asked if, since the implementation of OSS, they had noticed a change in the behavior of civil servants with regard to their professional behavior and if the issue concerning the payment of extra money had changed.

3. Financial sustainability of OSS

The third component of the responsiveness sub index is the measurement of the level of financial sustainability of OSS. This is evaluated according to the percentage of OSS proceeds re-injected into the delivery mechanism.

Primary data collected indicate that as a consequence of the implementation of a delivery agency, local financial income generated by the provision of administrative services increases on an average by 25%. These additional proceeds are explained by the fact that prior to the OSS some administrative services were not delivered, were not charged for, or were not systematically formally requested. This is, for instance, the case of demand for the modification of a dwelling; in most cases, changes were made without previously asking permission. Since the granting of such authorization is a source of revenue, local officials confirmed that with the introduction of OSS the incentive to charge for such services is stronger and as a consequence local financial budget is better

off.

Now, based on personal observations and discussions with SDC and MoHA officials, it has been judged that at least 10% of the proceeds generated by OSS have to be re-invested in the OSS so as to ensure its financial viability. As previously mentioned, this sum is expected to be the minimum financial input required to ensure the recovery of OSS fixed costs, and costs related to the maintenance of OSS facilities and equipment and lastly, the costs related to the inclusion of additional services to be provided through the OSS. The assumption is that without the recovery of such costs the quality of OSS and its infrastructures are not ensured in the long run.

4. Managerial commitment to ensure the performance of OSS

The final component of the responsiveness sub index is the quality of OSS management. The assumption is that an optimally performing (efficient and effective) OSS responds better to clients' demands. This measurement includes (i) a qualitative assessment of the corrective actions that have been taken in order to enhance OSS performance, as well as a qualitative assessment of the suggestions and concerns related to OSS performance formulated by local officials; and (ii) a qualitative assessment of the collaboration and the coordination between functional departments and the OSS with regard to OSS management and delivery issues.

A third (iii) measurement concerning the level of managerial commitment is done by assessing the delivery time limits set by law. As previously mentioned, the granting of a business registration certificate shall not take more than 7 days. Since many factors beyond the control of the administration can delay such time frame (e.g., in the first place, the client hands in an incomplete file and the functional officer has to request the client to fill in a new administrative form or provide the missing documents), this measurement is done by asking local cadres, in cases where time limits have not been respected, if corrective measures to shorten the delivery time span have been identified and implemented. The assumption is that the simple fact of identifying and implementing a corrective measure, regardless of its effectiveness, shows a willingness to improve the delivery of services.

Finally, (iv) the last measurement is done by assessing whether qualitative feedback was given by local authorities to competent agencies concerning their experience in setting up and running a delivery agency. This indicator is meant to measure the level of commitment of local leaders to improve OSS performance with a view to sharing nationwide best practices and lessons learned.

All these measurements are weighted equally.

5. Effectiveness of the mechanisms set up by local authorities in favor of citizens for the definition and monitoring of administrative services delivery related affairs

This indicator is measured by a qualitative assessment of the mechanisms set up by local authorities in order to include citizens in decisions concerning: (i) the

range of services that should be added to OSS; and (ii) the delivery modalities of OSS (e.g., timetables, the frequency of services delivery, etc.) or (iii) any other issue related to OSS performance and adequacy in respect of clients' needs.

Findings on OSS outcomes on responsiveness

1. Adequacy of services delivery modalities to meet people's needs and expectations

This indicator has been measured by whether at least once since the opening of a delivery mechanism, either the OSS timetable, the frequency of delivery, the range of services, or the procedure related to the transfer of the dossier to the higher administrative echelon has been modified/adjusted so as to better respond to clients' needs. Findings have shown that only one delivery agency out of 18 has changed the OSS timetable so as to better fit clients' demands (Doi Can ward, Hanoi City) and/or also modified the process of services reception (My Hoa, Tra Vinh province⁴³).

Three localities have added new services (Ward 2, Hanoi; Cuc Phuong, Ninh Binh province; Vinh Trung, Da Nang province), while seven of them have reduced the number of services provided (Cao Lanh 2, Dong Thap province; Phu Duc Dong Thap province; Mong Tho B, Kien Giang province; Binh Duong, Quang Nam province; Binh Duong Quang, Nam province; Quynh Luu, Ninh Binh province; Tan Thuan Tay, Dong Thap province). In this case, the range of services provided no longer corresponds to PMD181 requirements.

Concerning the improvement of the procedure to transfer clients' applications to upper level competent agencies and back, only two localities ensure this service to clients; these are Cuc Phuong, Ninh Binh province and Vinh Trung, Da Nang province⁴⁴. While the cadres complained that such task considerably increased the administration workload, they did not investigate whether there was potential room to improve its efficiency (SDC, 2004, p. 20).

In some cases, local authorities have shown clear inflexibility with regard to clients' demands. In Phuc Duc commune, Dong Thap province, the authorities have decided to provide only one group of services a day (e.g., on Mondays the group of services related to land administration, on Tuesdays construction affairs, on Wednesdays business licensing). The day of the provision of services was decided based on an internal reason: in that commune the PC Chairman was in principle always absent on Mondays and Tuesdays, so during these days the OSS provided only those services that did not require an immediate PC signature. Given that villagers tended to come to the commune only on market day, that is, on a Thursday, the provision of social affairs services, one of the group of services most required, did not match their presence in the district capital. OSS customers interviewed pointed out that, albeit the PC Chairman

⁴³ OSS accepted the reception of applications even if on that given day such service was not meant to be officially delivered

⁴⁴ In Vinh Trung, Da Nang province: commune staff take the application to district authorities, but district authorities do not transfer the application back to the commune. The client has to pick up the service at district level

was aware that this significantly inconvenienced the villagers, local authorities failed to synchronize services delivery with market days (SDC, 2004).

Another example of lack of responsiveness of local authorities vis-à-vis citizen concerns the group of notarization and authentication services. In between rice harvest cycles, young rural peasants often travel to urban areas to find short term jobs. According to the law, people who move from their hometown have to notify both communes, the commune of departure and the commune of arrival. The authentication of a copy of their residence permit is therefore required before undertaking the journey. Such document will have to be submitted to their destination commune. While during these seasonal peaks notarization and authentication of residence permits is highly requested, no locality has adapted the provision of these services so as to better respond to the seasonal extra demand (SDC, 2004, p. 15).

Seasonal effects also are noticeable with regard to the demand for administrative services in those localities with a surrogate local function (i.e., communes with infrastructures such as schools, markets, etc., exploited by neighboring communes). In these communes, civil status services are highly requested just before the beginning of the school year (SDC, 2004, p. 15).

OSS staff stressed that “whenever a new regulation is adopted, especially if it is related to social insurances and policies, in the following weeks and months, the number of services required dramatically increased”⁴⁵. Only in Ward 2 and Doi Can in Hanoi City have local officials adapted the modalities of service provision so as to better fit clients’ demands.

Client feedback tends to confirm the lack of responsiveness of localities vis-à-vis clients. When asked which service should be added to the OSS because it is valued as useful for citizens, legal support was often cited by interviewees: this is where citizens could ask for advice, guidelines, and assistance with regard to administrative procedures. Clients also mentioned the collection of taxes related to land transactions, and the issuing of identity cards. Of the 18 communes, none of them has added such services to their OSS (SDC, 2004, p. 25).

2. Lawfulness of fees charged and costs paid by applicant for the delivery of the service (no extra fees accepted)

One third of the localities assessed apply official fees that are equal to that stipulated by law. The rest provides administrative services at a higher price than that stipulated by the MoF. Primary data indicate that inflated fees mainly concerned land administration affairs.

According to some local officials (Phu Duc commune, Dong Thap province), the extra fee was justified by the fact that the processing of such group of service is more complex and time consuming than others and in some cases the technical support of competent units external to the administration was required; the increase in fees has also been explained by the fact that the upper level administration was far from their locality and that the extra fee was used to pay

⁴⁵ For example, Decree No. 59/ND-CP/2003 Regulation on payments for people devoted to the revolution who had died before 1.1.1995 (SDC, p. 2004, p. 15)

for the petrol used by the civil servant or as commission to a local motorbike rider to courier the application to the district authorities and back (Vinh Trung, Da Nang).

In other cases, officials justified an increase in price because they contested the adequacy of it, considering it too low (Cao Lanh commune, Dong Thap province).

As for services whose fees were not regulated by the MoF, all localities assessed charged some or all of them to the clients. Local cadres either simply claimed that they were not aware they had to deliver them free of charge or, in other cases, they contested such provision, erroneously considering that according to the law they were competent to set the price.

Concerning the adequacy between the effective fees (i.e., how much the client has paid for a service) and the official fees (i.e., the fee set by the MoF), OSS client feedback indicates as follows (further information on this topic can be found under the accountability sub index):

- Nearly 1/3 of OSS clients has admitted that since they were not aware of the official price they did not know if and how much extra money civil servants were asking them for;
- Half of them have reported paying extra money at least once;
- Three-quarters of the clients interviewed have claimed that they did not notice any difference in terms of bureaucrats' attitudes since the implementation of OSS;

3. Financial sustainability of OSS

The measurement of the financial sustainability is proxied by the share of OSS proceeds that is re-invested in the delivery facility. More precisely, if at least 10% of OSS proceeds are re-injected into the structure so as to ensure the recovery of OSS fixed costs, maintenance, and costs related to the inclusion of additional services, it can be assumed that OSS financial sustainability is ensured; without the recovery of such operational costs, the sustainability of the delivery agency is at risk.

Clear data on financial issues related to OSS were difficult to collect. Financial transparency is far from being achieved at local level, and this explains why the feedback from local officials was often confusing and in some cases also contradictory. While the vast majority of local officials declared themselves committed to ensuring long term OSS viability, the majority of them also claimed that it was the responsibility of the state to ensure the recovery of OSS running costs. As for the localities assessed, state budget transfer ranged from 41% to 99% of local revenues. This means that for the poorest localities, 99% of their costs is recovered via state funding, while only 1% is covered by locally generated funds. While caution should be exercised in the interpretation of such information, one can assume that the position of the authorities may indicate that unless additional funds are allocated by the state, OSS financial sustainability could be at risk, and this especially in poor localities. The report of a survey on the opinions of local cadres performed in 2005 by the Ministry of Home Affairs (MoHA) and the Ministry of Justice (MoJ) suggests the same conclusion (MoHA

& MoJ, 2005).

Primary data collected in the field are nevertheless quite encouraging in this regard; financial figures provided by local cadres indicate that for nearly 2/3 of OSSs assessed, financial sustainability seems to be assured at least in the short term.

Finally, it also has to be pointed out that only a minority of communes has prepared the financial proposal required to ask that the State budget support the set up of the delivery agency.

4. Managerial commitment to ensure the performance of OSS

The measurement of the quality regarding how OSS is managed and operated is proxied by the qualitative assessment of the corrective actions taken by local authorities with the objective of improving OSS performance. This measurement has also been completed by the qualitative assessment of suggestions for improvement of OSS performance formulated by local officials. The managerial quality is not assessed from a technical perspective: what is at stake here is not whether local cadres have adequate managerial skills to operate OSS; my interest concerns the commitment of local cadres to implement corrective measures, regardless of the level of effectiveness of such measures.

First of all, the evaluation has pointed out that on average only 60% of services are provided within the right time limits. The group of services most plagued by delay is that related to land administration. Local officials have explained that such delays existed because "land administration issues are often a source of dispute among neighbors, and in some cases disputes are not settled in time" (SDC, 2005, p. 20). Officials also mentioned that the PC Chairman, who is responsible for signing off client applications, is not always available to perform such task and the dossier has to be put on hold until the signing off has taken place. The third reason mentioned is the result of poor co-operation with lower- and upper level functional officials. Finally, local officials claimed that "clients are often poorly informed about land administration procedures and their dossiers are not properly prepared or are incomplete" (SDC, 2005, p. 20).

Regardless of the explanations given by local officials, field data have shown that no real action has ever been taken to correct the breach of time limits.

Based on the questionnaires, four general remarks can be formulated with regard to the commitment of local officials to improve OSS performance. First, as the analysis of the suggestions for improvements formulated by local officials indicates, in a large majority of cases these concern bureaucrats' "self-interests" (SDC, 2004, p. 7).

In fact, the most cited suggestions were: the need to improve "OSS staff working conditions" by paying better salaries (SDC, 2004, p. 7), the need to provide allowances or financial compensation for the higher workload generated by the OSS, the need to improve the quality of office equipment (higher performing computers, better internet connection, etc.); the need to improve OSS staff comfort (install or improve air conditioning equipment), etc.

It can be safely said that clients' interests and the OSS purpose as a mechanism to enhance the interface between state administration on the one hand, and the

citizens on the other, are not conceived, as far as local officials are concerned, as critical dimensions when measuring OSS performance. In other words, local officials tend to benchmark OSS performance against the level of comfort of commune bureaucrats in operating the delivery mechanisms and not against the institutional mission of OSS, which is to better serve the citizens.

The second remark concerning the feedback on the recommendations to improve OSS performance is that in most cases local authorities showed a sense of passivity with regard to the implementation of corrective measures; general feedback suggested a clear lack of pro-activity, since directions for improvement had to come, according to local officials, from the Government or from the MoHA. As mentioned before, while some simple changes have been observed in localities in order to better serve their clients (e.g., modification of the OSS timetable or the frequency of services delivery, etc.), officials deemed that until such time as competent agencies came up with corrective measures for improvement, no action needed to be taken. This has also been confirmed by the fact that, as mentioned in the previous point, although structural deficiencies have been observed, very few concrete measures have been taken at local level to correct such shortcomings or systematically to address them to competent agencies.

This lack of pro-activity has been justified by the fact that cadres were not willing to risk implementing changes that may go against policies or directions of the MoHA (Binh Duon, Quang Nam; Mong Tho A, Kien Giang province; My Long Bac, Tra Vinh province). Other feedbacks pointed out the lack of technical and financial resources required to implement such corrective action; while this may be a valid reason not to take action, when asked what kind of corrective action could be implemented without financial cost, local cadres had no clear idea. The idea that leadership for change had to come from the Government or ministries heading the functional lines was also confirmed by some cadres who mentioned that vis-à-vis citizens, local bureaucrats officially represented the state; as such, it was then the responsibility of the Government to make sure that state bureaucrats were in a position to perform their job.

The third constant is that one issue of importance to local officials concerns the need to train civil servants and OSS officials on technical matters (i.e., how to process clients' applications, better instruct them on the legal disposition regulating administrative services delivery, etc.). According to the interviewees, OSS structural problems such as having to endure delays in services delivery can be explained by the lack of civil servants' technical skills. The solution to such structural weaknesses, according to them, is to be found in better bureaucrat training. While the shortage of technical skills on the part of bureaucrats is certainly an issue that deserves to be taken seriously, it has to be stressed that with the implementation of OSS no new additional task has been added, and that the job description of local civil servants has basically remained unchanged.

What has changed is that the performance of local administrative agencies is now, at least on paper, scrutinized and this has created a local demand for training. With the involvement of donor agencies in the domain of PAR in Vietnam, and regardless of the fact that civil servant training is definitely a critical

issue, such trend has worsened. As confirmed by Government officials questioned on the topic, the demand for more training has become a central issue in the requests formulated by local authorities.

When asked why local officials have never pro-actively organized internal training despite the lack of technical skill being so critical to the performance of their OSS, the general answer was that it was not for them to do so since such organization falls under the responsibility of each ministry heading the local functional unit. While this answer is acceptable from an administrative perspective, my sentiment is that the real interest in training has little to do with improving the technical skills of civil servants; based on informal discussions with local cadres and personal observation, training has a function of both prestige and entertainment. Prestige because benefiting from training means being considered important, a valuable resource critical to the good functioning of the agency. Entertainment because, especially when this implies study tours and visits to administrative agencies in other districts or provinces, not only is it a good occasion to visit colleagues and enjoy the festivities that normally go with such events, but it also represents a good opportunity to take some time off work.

A final remark concerns the feedback given by local cadres when asked which the main challenges in managing an OSS in their locality were. Nearly half of the responses pointed out that because of the general unawareness of people vis-à-vis administrative affairs, civil servants and cadres were forced to spend a significant part of their working day providing assistance and guidance to people. According to them, citizens lack interest in administrative matters and this explains their lack of awareness. In a few cases, local interviewees also pointed out that such lack of awareness should also be attributed to the ineffectiveness of the information campaigns.

However, it has to be said that in a few localities some encouraging measures to enhance the performance of OSS have been taken. For instance, in Vinh Trung, Da Nang province, the PC prepared a document designed to inform OSS staff and local civil servants on the objectives of OSS and what was expected of them.

As regards suggestions for improvement, in several localities cadres pointed out that the complexity of administrative procedures needed urgent reviewing as such procedures tended to penalize the most fragile segment of society. For instance, the application for a loan from the Bank for the Poor requires eight different administrative steps. Most vulnerable people, often not familiar with administrative procedures, find it difficult to go through such a process and, in some cases, abandon the idea of applying altogether. In other cases, the need to increase the coherence of the legal framework that regulates services delivery has been mentioned (Doi Can, Hanoi; Ward 2, Hanoi); the current situation creates a climate of legal uncertainty and opacity for customers and an enabling environment for the abusive behavior of bureaucrats.

Also mentioned was the need to better define the responsibilities of administrative agencies with regard to *who does what, when and how* in relation to administrative services delivery.

Currently, there is no official comprehensive list of administrative services that

have to be provided by local administrations in Vietnam. According to a study conducted in 2004 by the Department of Justice in Quang Binh province, commune level agencies could provide up to 79 different types of services (see annexes for the list of services). However, legally speaking, it is not clear which of them it is mandatory to provide at commune level and which at district level. This is an issue of concern for local authorities since the trend toward greater decentralization tends to push services delivery to the lowest administrative levels but, at the same time, these new responsibilities entrusted to local administrations are not backed up by financial and technical support.

In other localities (e.g., My Hoa, Tra Vinh province) officials also mentioned the urgency of solving the problem of insufficient financial incentives for local cadres and civil servants; better salaries are considered the most effective way to contribute to curbing bureaucrat corruption and rent-seeking behavior.

The level of collaboration between functional officers and the PC Chairman is another measure used to assess the quality of the management of OSS. Effective collaboration between, on the one hand, the heads of functional offices (at district and commune level) and on the other the offices of the PC, is critical to ensuring the adequate and timely dissemination of newly issued technical and administrative regulations. This information needs to be timely passed on to civil servants and OSS staff who process clients' applications.

In addition, this information also needs to be understood and correctly applied by bureaucrats. Finally, state officials also need to be able to answer clients should questions arise relating to that specific subject matter.

Policy directions and administration instructions in general end up on the desk of the commune PC Chairman. More technical information related to administrative procedures, on the other hand, tend to be channeled via administrative vertical lines (from the central ministry concerned, to the provincial department, to the district offices, and finally to the commune section). In order to have such information effectively shared, collaboration between the PC office and the functional units is therefore crucial (SDC, 2005, p. 21).

While during the interviews local cadres in general stressed the good quality of such collaboration, this information was cross checked by asking OSS staff (i) how they were informed by the PC office about newly issued regulations and policy directions and (ii) if they qualified such communication as being effective. In all but three cases (Quynh Luu, Ninh Binh province; Cuc Phuong, Ninh Binh Province; Ward 2, Hanoi) such communication was qualified by OSS staff as ranging from *relatively unsatisfying* to *unsatisfying*⁴⁶.

It is also interesting to observe that several civil servants have pointed out that the lack of internal horizontal information sharing is a cause of inefficiency and ineffectiveness (SDC, 2005, p. 21). Also interesting is the fact that in general OSS staff was unaware of the strategy and objective of public administration reforms.

Finally, only one locality (Doi Can ward, Hanoi) has provided comments and a report on their experience of OSS management to upper level authorities. The

⁴⁶ Source: Questionnaire B (see annexes)

idea, as mentioned earlier, was to supply a national database with local *good practices* and *lessons learned* that could be shared across the nation. While the request to provide qualitative feedback was stated in MoHA operational guidelines, the low number of localities that have followed this requirement seems to indicate a potential lack of local commitment to improving OSS performance.

Regardless of the fact that at the time of the interviews such database was still not operational, this conclusion is confirmed by the fact that only three localities have pro-actively addressed a request to the provincial DoHA or directly to the MoHA to have access to the database.

5. Effectiveness of the mechanisms set up by local authorities in favor of citizens for the definition and monitoring of administrative services delivery related affairs

The assessment of 18 communes has shown that official venues for clients to voice their preferences are limited: formally, clients are barely included in any decision-making process related to OSS operations; no formal mechanism allows for the identification of the level of client satisfaction with regard to OSS⁴⁷; barely no action has been pro-actively taken by local officials to enquire into clients' preferences, needs, and expectations; and finally, when it occurs, clients prefer to express their suggestions in an unofficial and punctual manner directly to PC Chairmen, local leaders of mass organizations, or heads of villages (SDC, p. 2004, p. 21).

Primary data indicate that customers voice their suggestions via four mechanisms: the first two are provided by the administration: (i) the suggestion box located in the OSS venue and (ii) the telephone number of the PC office, which is also posted at the OSS venue; the third and fourth venues are created by the citizens themselves: these are (iii) spontaneous and direct visits to the PC Chairman or Vice Chairman, and (iv) direct notification of their opinions to local leaders of mass organizations or heads of villages.

The suggestion box exists in almost every OSS assessed. The idea is that clients can write what they have to say in a note that is then left in a box located in the OSS venue. In principle, local officials are meant to evaluate the case and inform the person who has written the note of any decision taken by the administration.

Data from the field indicate that OSS clients are not supportive of using this device to voice their opinions to local officials, as confirmed by the meager number of letters. In addition, when this did occur, field data showed that in only two localities (Ward 2, Hanoi and Tan An, Quang Nam) had clients been

⁴⁷ Citizens Report Cards were prepared in 2005 (Soren & Turk, 2005) and this exercise also included a short survey of citizens on their level of satisfaction with the OSS mechanisms and more in general, PAR. While this is certainly a positive initiative, this was a punctual exercise and the objective was to report to central authorities the progress of the OSS program and not to use this information to help to improve OSS performance in the localities surveyed

informed of the decision that followed the recommendation posted in the suggestion box.

In some localities, officials have posted on the information board the telephone number of the PC office; the idea is that when an OSS client has to communicate with local authorities, he can telephone the office of the PC Chairman and directly communicate his suggestion/complaint. According to the feedback, this modality is moderately used: depending on the size of the locality, the PC office can receive from one to five telephone calls a month.

The third means at the disposal of clients to interface with the administration is via spontaneous and punctual visits of citizens to local officials. While this mechanism is the most used by clients of OSS and has been observed in all the localities assessed, it has to be stressed that in absolute terms clients tend not to seek interaction with local officials, as demonstrated by the data collected via a survey of OSS clients (albeit half of clients surveyed reported having paid money under the table at least once, only 15% of them ever formally complained about it to local officials).

This conclusion seems also to be confirmed by a survey conducted by the UNDP (2004c) titled *Access to Justice: Survey from a People's Perspective* in which only 28% of people canvassed said that, in cases of need, they have asked for assistance from the PC; moreover, in cases of problems, only 6% of them had accessed the courts for resolution of their cases (p. 11).

The fourth channel at the disposal of clients to interact with local officials is via the Vietnam Fatherland Front (VFF), other local mass organization leaders, or heads of villages. According to interviewees, this channel is also appreciated by citizens. This was, for instance, the case in Tan Thanh Van commune, Dong Thap province, where it was reported that citizens addressed their concerns and requests with respect to OSS to the leaders of the VFF and heads of quarters. According to these interviewees, citizens trust these leaders (SDC, 2004, p. 21).

Finally, in only one case (Ward 2, Hanoi), did local officials claim that they proactively invited OSS customers to formulate recommendations for improvements, and, depending on their preferences, to address them to PC officials, to members of the PCnls, and/or to leaders of local mass organizations.

Clients' suggestions may vary greatly depending on the locality, but two demands tend to be expressed most often: the modification of the OSS timetable (i.e., rural customers especially would like to have at least one counter open earlier in the morning so as to have time to go to the OSS before going to work) and secondly, the addition of new services and in particular a legal aid service.

As for clients' complaints, they concern: the lack of professional behavior of civil servants, the highly complex administrative procedures, the unjustified absence of civil servants resulting in clients being unable to submit applications, the demand to pay extra money for a service, the lack of support and technical assistance from OSS staff, unclear information about services fees, time limits and conditions for application, inadequate delivery timetables, the OSS venue being too small, too hot and/or too noisy, and poor facilities.

Table 22: Responsiveness sub index aggregated of all communes assessed

N°	Indicators	Measurement of the indicators	Average score for all communes assessed ⁴⁸
2.1	Adequacy of services delivery to meet people's needs and expectations	<ul style="list-style-type: none"> ▪ Since the opening of OSS, one of the following elements has been adapted at least once: <ul style="list-style-type: none"> - OSS timetable; - the frequency of services delivery; - the range of services delivered; - the procedure related to the transfer of the dossier to the higher administrative echelon; ▪ Feedback of OSS clients that were asked if the delivery modalities of OSS were in line with their expectations; 	3.1
2.2	Lawfulness of charged fees and costs paid by applicant for the delivery of the service (no extra fees accepted)	<ul style="list-style-type: none"> ▪ whether official services fees charged to applicants were identical to the ones set by the MoF; ▪ Whether services whose fees were not regulated by the MoF were officially provided free of charge; ▪ The feedback of OSS clients that were asked if, since the implementation of OSS, they had noticed a change in the behavior of civil servants with regard to their disposition to extract extra money from clients; 	3.7
2.3	Financial sustainability of OSS	<ul style="list-style-type: none"> ▪ At least 25% of the proceeds generated by OSS re-invested in the OSS; 	5.2
2.4	Managerial commitment to ensure the performance of OSS	<ul style="list-style-type: none"> ▪ Qualitative assessment of the corrective actions taken and suggestions for improvement formulated by local cadres in relation to OSS performance; ▪ Qualitative assessment of the collaboration between OSS staff and the Heads of functional departments with regard to OSS management; ▪ Whether lessons learned were shared with upper level competent agencies with a view to setting up a national database; 	3.6
2.5	Effective mechanisms set up by local authorities in favor of citizens	<ul style="list-style-type: none"> ▪ Qualitative assessment of the mechanisms set up by local authorities in order to include citizens in decision making concerning: <ul style="list-style-type: none"> - the range of services that should be added to the OSS; 	3.1

⁴⁸ 1 to 10, where 10 equals full compliance with legal and operational requirements, 1 equals no compliance at all

	for their participation in decisions concerning administrative services delivery related affairs	<ul style="list-style-type: none"> - the delivery modalities of OSS (e.g., timetable, the frequencies of services delivery, etc...); - other issues related to OSS adequacy to clients' needs; 	
Responsiveness sub index aggregated average score			4.1

Source: my own representation

2.2.3 Accountability

One-stop-shop implementation guidelines – expected results

The accountability of a public institution “is the extent to which those who act on behalf of the people are answerable for what they do” (Mekong Economics, 2006, p. 22).

Accountability, as explained by the World Bank (2003) “rests on knowledge and information – and thus on transparency in governance mechanisms” (p. 2). It can be *external*, i.e., when citizens or service users hold authorities or public service providers accountable; it can be *internal*, “when the Government, to protect the public interest, institutes various systems and incentives to govern the behavior of different agencies within the Government, such as separating powers and setting up independent checks and balances” (ibid)

As for accountability, four dimensions deserve to be assessed: “who is accountable; for what are they accountable; to whom are they accountable; and how is that accountability discharged” (Mekong Economics, 2006, p. 22).

The objective of enhancing bureaucrat accountability is central to the OSS initiative. PMD181 Article 2 states that “this mechanism aims to create a substantial change in the relationships and problem-settling procedures between State administrative agencies and organizations as well as citizens (...)”. MoHA operational guidelines explicitly state that the OSS objective is also to “improve the accountability and behaviors of cadres and civil servants towards citizens and organizations” (MoHA, 2004, p. 2).

MoHA guidelines charge local authorities with the task of taking disciplinary action - “or criminal liability shall be blamed” - against civil servants that have a “poor sense of accountability and/or intentionally violate laws” (MoHA, 2004, p. 34).

Furthermore, according to the ministry guidelines, “on discovery of any action of wrongdoing and corruption committed by State bodies and agencies, citizens and organizations shall have to promptly inform Chairman of the People’s Committee or competent level for appropriate actions” (ibid). It is therefore the responsibility of local leaders to enforce such regulations in cases of wrongdoing and corruption by bureaucrats.

Accountability sub index composition

The accountability sub index is composed of the following indicators:

1. Local authority commitment to account for their actions in relation to OSS to citizens

The measurement of this indicator is done via the level of commitment of local officials to hold bureaucrats accountable in cases of wrongdoing, abusive behavior, or corruption. This has been measured on a qualitative assessment of the answers provided by local officials concerning how illicit bureaucratic practices were prevented, managed, and solved in their localities.

A second measurement of this indicator is the qualitative assessment of the modality chosen by local authorities to notify clients when a delay in the delivery of the service occurs. According to PMD181, local authorities have a systematic obligation to notify clients if the legal delivery time limits of a service are not respected (e.g., when it takes longer than the 7 days stipulated by law for the granting of a certificate of business license to be delivered). The modality chosen to inform clients of the delay is considered illustrative of the commitment of local authorities to account to citizens for their actions.

A final measurement of the degree to which local authorities seem to be committed to being held accountable to citizens for their actions in relation to OSS affairs was based on the feedback of OSS clients who were asked whether, in cases of wrongdoing, they would expect local authorities to take effective action against the guilty bureaucrat. This measure is based on the perception that clients have of the commitment of local authorities to apply disciplinary sanctions to local bureaucrats.

2. Effective oversight by local PCnls of OSS related affairs

According to the Constitution, PCs operate under the supervision of PCnls. The PCnl is “the local organ of State power [and] it represents the will, aspirations, and mastery of the people; it is elected by the local people and is accountable to them and to the superior State organs” (Constitution art. 119).

The measurement of this indicator is proxied by the qualitative assessment of the capacity of local officials to respond to the following question: “what are the concerns and the recommendations of the members of PCnls with regard to the performance of OSS and the corrective measures that have been taken?”⁴⁹ The assumption is that if local cadres are aware of PCnls concerns and recommendations, this indicates that PCnls have had access to information concerning OSS performance and that such issues have been debated. This indicates a willingness to enhance transparency and the formal recognition that OSS operates, indirectly, also under the institutional supervision of PCnls, institutional bodies formally accountable to citizens.

Findings on OSS outcomes on local official accountability vis-à-vis citizens

1. Local authority commitment to account for their actions in relation to OSS to citizens

⁴⁹ Source: my own questionnaire – Questionnaire A

The first indicator of the accountability sub index is the commitment of local officials to hold bureaucrats accountable in cases of wrongdoing, abusive behavior, or corruption. This has been measured on a qualitative assessment of the answers provided by local officials concerning how illicit bureaucratic practices were prevented, managed, and settled in their localities.

Before presenting the data of such measure, however, I will report on the situation with regard to corruption in OSS as experienced and perceived by the 313 OSS clients canvassed for this research. As data concerning corruption practices in Vietnam are not easily available, very few Government and donor researches have covered the issue of corruption in OSS; when available, these few sources are mentioned.

As for some data concerning corruption in Vietnam, Fritzen (2006), who mentions the survey on corruption conducted by SIDA and the Communist Party of Vietnam, reports for example some interesting figures: “in a sample of 3,251 citizens in seven provinces, 57% of people questioned said they paid extra money when they made traffic violations and 50% when going to the People’s Inspectorate or the court” (Draft report of the Party, 2005, p. 42, as cited in Fritzen, 2006, p. 4).

Fritzen continues summarizing the report, noting that “35% out of 1,301 civil servants interviewed admitted to having in the past year directly observed (presumably other) officials” (p. 4) “receiving money or presents to work in favor of the bearers” or “people in positions of authority intentionally causing difficulties to others in order to cause them to give money” (Draft report of the Party, 2005, p. 102, as cited in Fritzen, 2006, p. 4).

Moreover, of the over twenty administrative units canvassed, the “*most corrupted organizations* included the cadastral and housing agency, customs/import-export management agency; traffic police; public finance and tax agency; management/entities in construction industry; construction permit-granting agency, and health care entities” (Draft report of the Party, 2005, p. 33, as cited in Fritzen, 2006, p. 4).

A second finding of the survey, as reported by Fritzen (2006), points out that the “attitudes towards corruption are permissive within the bureaucracy; (...) 47% of civil servants questioned said that they would accept or hesitate to refuse [a bribe]” (Communist Party of Vietnam, 2005, p. 34, as cited in Fritzen, 2006, p. 4). As stated by Fritzen, “corruption from this perspective has a strong collective nature” (ibid).

The third finding reported by the scholar is that “the issue of corruption matters greatly to the public. (...) Three-quarters of the citizens interviewed listed corruption as the matter of *greatest concern* from a list of 17 social and economic problems” (Communist Party of Vietnam, 2005, p. 35, as cited in Fritzen, 2006, p. 4).

As for corruption in OSS, primary data from my field research do not ambition to reflect the current situation for the whole of Vietnam: it is based on the feedback of people; their testimonies could not be cross-checked with other sources. Of 313 instances of feedback, 90 came from people who were interviewed just after they had visited the OSS; 223 instances of feedback came from people who

have had an experience with an OSS, but not in one of the 18 localities assessed for this research. In this sense, their opinions need to be considered with respect to the OSS program in general and not in direct relation to the findings of the assessment of the 18 communes.

The first data collected from OSS clients concern the magnitude of corruption in OSS. While this practice seems to be pervasive; nearly 50% of the people canvassed admitted that they had paid extra money to obtain an administrative service at least once, the amount of money paid is relatively small. It is in fact a matter of *petty corruption*⁵⁰, where the amount of the financial transaction ranges in general from 50% to 200% of the official fee for the service. For instance, the fee for granting a business registration certificate is 30'000 VND; in most cases, OSS clients may be asked to pay between 10'000 and 50'000 VND extra. While this does not necessarily involve a large sum of money, petty corruption is in the best case a source of irritation and profound social discontent; in the worst case, it can also be a significant financial burden for the poor.

According to the figures of a report by the MoHA and the MoJ (MoHA & MoJ, 2005, p. 5), only 15% of citizens have ever been asked to pay extra money in an OSS. This figure is substantially inferior to the data that I have collected. A report by the ADB on citizens' feedback regarding PA services delivery does not provide any quantitative measure, but reports that "abuses of power are prevalent in the administration by local officials" (ADB, 2003b, p. 6).

Secondly, clients report having paid extra money: (i) to speed up the processing of administrative services that otherwise would have taken weeks or months to complete (e.g., the granting of a business certificate); (ii) to ensure the positive outcome of an application (i.e., to be sure that at the end of the administrative procedure, the business certificate is effectively delivered); (iii) to have a bureaucrat accept an application that was incomplete or wrongly filled in (i.e., the civil servant does not oblige the customer to present a new, correct application, but accepts the current application subject to the payment of extra money); (iv) to obtain technical support to fill in administrative forms although the provision of technical assistance to citizens is part of the job description of state employees.

In several cases clients have stated that civil servants obliged them to pay extra money although the application was not complex and although they (the clients) knew someone who could have helped them free of charge; (v) for no apparent reason (the delivery of the service is simply conditioned by the payment of extra money).

Thirdly, clients have pointed out that extra money is requested especially for the following group of services: notification and authentication of official documents (e.g., residential permits), construction affairs, and civil status registration affairs. When asked which administrative domain was most exposed to corruption practices, the vast majority of people canvassed considered it to be services

⁵⁰ Petty corruption characterizes a situation when "a public agent and a private one agree on exchanging the access to the service for money, a gift or the promise of a future favor" (Fabrega, 2008, p. 2)

related to land affairs. This information was cross checked with two local officials at provincial level who had no direct involvement with OSS in their locality (Can Tho, Hai Phong). According to them, the amount of extra money paid when dealing with land issues is very important and it is the reason why negotiations and transactions occur *behind the doors* and not in the OSS venue.

According to the two provincial cadres, local top officials lead the negotiations. It is not surprising that the services that are most *monetized* are land affairs. Land is the most important physical asset of people in Vietnam and a large portion of disputes and contentions among people concerns land issues.

In addition, land ownership certificates are requested by banks as insurance for granting loans so their intrinsic economic value is consequently very high. What is more, district level officials are in charge of allocating the use of land according to the master plan that is prepared at provincial level (the land is classed for diverse purposes: construction, agriculture, forest, etc.): the issues at stake are therefore enormous since a change in class has a dramatic impact on the value of the land. A report by the ADB (2003b) points out that the administrative services for which extra money is most claimed are “residential permits, house registration, land allocation, and forestation” (p. 6).

Fourthly, there would appear to be a correlation between the degree of urgency to benefit from a service and the amount of extra money asked by civil servants: the more a service is considered important and urgent for the person requesting it, the more significant the capacity of the civil servant to extract extra money. This point has been illustrated by the example of a farmer in Mong Tho B commune, Kien Giang province, who informed us that each year, between the rice harvesting cycles when he leaves his hometown to seek temporary work in the city, the longer he waits to ask for the authentication of a copy of his residence permit, the more he has to pay the administration to obtain it: if such document is urgently needed (for instance, a client needs the authenticated copy the day after he submits the request), then the price is often ten times the official fee. Local officials explained to him that this price was justified to compensate for the extra work required to process his request: in the eyes of the farmer, local state employees behaved just like rent seekers.

There would also appear to be a correlation between the economic value of a service and the sum of money demanded. This was illustrated by the testimony of an OSS customer in Tan An commune, Quang Nam province, who submitted an application to obtain a renewal of his business certificate (solderer). This document was needed in order to apply for a bank loan. According to his testimony, since his business was quite profitable, local bureaucrats asked him to pay extra money to obtain the document. It seems that the same logic is also followed, as we were informed by one Hanoi resident speaking from personal experience, for the granting of land ownership certificates where the price of the certificate can represent a percentage of the value of the land.

Similar observations seem to be confirmed by other research in Vietnam. For instance, Hardy (2001) explains how the granting of a household registration permit also depends on its economic value. Since all basic social benefits are conditioned by the presentation of such permit, those Vietnamese not in possession of the relevant document invariably fall victim to abusive behavior on

the part of state officials (p. 193).

Fifthly, as data from my survey may suggest, it is not always clear whether it is the client or the bureaucrat who takes the initiative in the first place to pay or ask for extra money. In the survey, people were asked the following question: “if you think that you may not be satisfied with the provision of the service that you request, what would you do?”⁵¹

Interviewees could choose between the following responses: (i) seek assistance from the civil servant charged with processing your application, or his superior; (ii) ask for the intervention of influential people you know inside or outside the administration who could arrange your case; (iii) pay extra money to improve or influence the way the request is processed; (iv) do nothing; (v) do something else. Over 1/3 of them chose: (iii) “pay extra money to improve or influence the way the request is processed”; another 1/3 selected (ii) “ask for the intervention of influential people who you know could arrange your case,” (ibid) while the rest was equally distributed among the other possible responses.

While no firm conclusion can be drawn from this data, the survey seems to indicate that clients also actively propose paying money to obtain an administrative service. The same point is also put forward by the report of the ADB on client feedback on PAR and services delivery: “whenever villagers are not satisfied with a Government service, their first reaction is to use money to ‘grease’ the process, although this might not be what is required” (ADB, 2003b, p. 7).

This attitude has been also confirmed by the owner of a local law cabinet specializing in setting up new businesses in Hanoi. The lawyer informed me that she always recommended that her clients pro-actively pay extra money so as to make sure that the authorization is granted within a given time frame. Furthermore, according to her testimony, the lawyers that frequently visit the OSS tend to hand in their application always to the same bureaucrats because once negotiated, the sum asked for the first time tended not to change for months.

As previously mentioned, the first indicator of the accountability sub index is the commitment of local officials to hold bureaucrats accountable in case of wrongdoing, abusive behavior, or corruption, and this has been measured on a qualitative assessment of the answers provided by local officials concerning how illicit bureaucratic practices were prevented, managed, and settled in their localities.

Field visit reports have indicated that although most local officials interviewed have admitted that the corruption of state employees is critical in Vietnam, in only one locality have interviewees recognized that such a problem may exist in their own commune or district, namely, Vinh Trung, Da Nang province.

Secondly, no commune PC has acknowledged having taken a concrete measure against a civil servant found guilty of bribing clients. Similar findings are also reported in an ADB study (2003a, p. 10) that showed that albeit overt criticisms by local people against officials were expressed in commune

⁵¹ Source: my own questionnaire – Questionnaire A

meetings, practices on the ground indicate that this rarely led to a change in local bureaucrat staff.

In the other localities, when asked how they could explain that no disciplinary measure had ever been taken against civil servants, local officials said that either state employees in their localities were honest and no disciplinary measures were needed (My Long Bac commune, Tra Vinh Province), or that it was very hard to prove that wrongdoing had been committed by the bureaucrats (Tan An commune, Quang Nam Province). According to them, if wrongdoing does occur, in most cases it is on the part of the citizens, who pro-actively ask to pay extra money to obtain specific advantages.

When asked how they prevented abusive behavior on the part of civil servants, almost all local cadres replied that citizens were the best *watchdog*; if clients do not complain, this means that civil servants have not acted abusively. This argument is based on the idea that any citizen who becomes a victim of wrongdoing automatically reports it to local officials. As indicated by the result of the survey of OSS customers, this assumption should be viewed with caution since, of 313 citizens surveyed, only 15% of them claimed to have reported such behavior to local officials, although half of them admitted that at least once, they paid extra money to obtain a service.

The second indicator of the accountability sub index is the qualitative assessment of the modality chosen by local authorities to notify clients when a delay in the delivery of the service occurs. Although this is specified in law, in only one case (Quynh Luu Commune, Ninh Binh Province) could local officials prove that such notification was done systematically.

In other cases, officials explained that the systematic notification would take too much time (time to call or write a letter to the client) and/or cost too much money (stationery, telephone, etc.) and therefore they do it only “when necessary”. When asked to explain what “when necessary” meant, answers were very much confused. In one case (Phu Duc commune, Dong Thap province) local officials said that they could not inform the clients because very often clients forgot to write their telephone number on the application. As the notification of the delay does not take place, the customer goes to the OSS only to learn that the service will not be delivered on time; in the worst case, he even has to queue and wait his turn to be received by OSS staff before being informed of the delay.

Finally, the last measurement of this indicator was done by asking OSS customers whether, in cases of wrongdoing, they would expect local authorities effectively to take action against a guilty bureaucrat. Most of the replies (3/4) pointed out that citizens did not expect guilty bureaucrats to be punished. This measure is interesting because it reflects people’s perception of the commitment of local officials to be held accountable to their constituencies.

Such low figure seems to be explained by a pervasive lack of confidence in administrative institutions, as the UNDP report points out: on average, only 36% of people canvassed believe that local PCs clearly “protect the rights and interests of people” (UNDP, 2004c, p. 16). Another explanation is put forward by the ADB report that quotes a male citizen:

the Government pays attention to improving services for

people, but the local officials do not fulfill these promises. The Government loses its prestige because of this. (...) We know that we have the right to report bad behavior to the local authority, but bad leaders still remain in their positions even when we do report them. Then we are displeased and discouraged to report any more (ADB, 2003a, p. 11).

2. Effective oversight by local PCnls over OSS related affairs

With regard to the opinions of the members of PCnls relating to OSS performance and the corrective measures taken, the PC Chairman or his Deputy - who are also officially members of the PCnls - systematically reported that PC members were always informed of OSS performance and that they always supported the corrective measures taken by the local Government. In no cases did interviewees acknowledge that a member of local PCnls may have had a divergent point of view with regard to the management or performance of OSS.

While no firm conclusion can be drawn from this data, the survey seems to indicate that the institutional weight of PCnls as “local representative of state power” (Constitution, art. 119) is weak, that is to say, insubstantial. It is possible that during PCnls meetings their members did not consider OSS performance a sufficiently interesting issue to discuss or debate; it is also possible that divergent points of view might have existed between PC officials and members of the PCnls and that the Chairmen were not willing to share that with me. If we exclude this last possibility, the results of the interviews seem to indicate that PCnls do not fulfill their supervisory role over PCs; it is in fact hardly conceivable that, considering the structurally low performance of OSSs, members of PCnls would never have flagged any concerns. For lack of time and opportunity, I did not have the chance to interview any members of PCnls who did not also sit on PCs.

It is interesting to highlight that it seems to be current practice that PCs report on local Government operations to upper level authorities and local VFF and CPV cells. This was pointed out by interviewees in most localities assessed. Reporting was said to be provided with the purpose of informing CPV cells and VFF about local Government related operations. It has been said that reporting was also prepared for higher Government echelons. This is a standard administrative internal procedure that exists in all localities assessed.

The interest of such practice is that via the observation of the reporting line it is also possible to identify to whom local executive bodies account for their actions. Via the observation of the content of the reporting (this is informative about what PCs are expected to be accountable for), and how recipients can exert influence over PC actions and decisions (this is informative of the level of contestability of the recipients of reports), it is possible to map accountability relationships linking PCs and local constituents.

The analysis of a dozen reportings prepared by PC offices to upper level administrative agencies about OSS operations was highly informative: generally speaking, the content of the reportings contained descriptive information (e.g., when the OSS opened, the list of services provided, how much money was needed to cover operation costs, etc.); it contained also quantitative data and

tended to focus on positive elements and achievements (e.g., the increase in the number of applications submitted for a given service since the opening of the OSS, the improvement in the expeditiousness relating to the processing of clients' applications thanks to the OSS, etc.).

No qualitative assessment, management, or organizational issues were detailed; more importantly, problems, shortcomings, and structural operational deficiencies were in most cases ignored.

As for the frequency, it has been said that a report to upper level authorities was handed over at least twice a year. This information has been cross checked with DoHA and MoHA officials; according to them, such timelines were in most cases never respected. The frequency of reporting to upper level authorities was in general random based or coincided with the budget process.

Concerning the frequency of reporting to other local state agencies and actors (in particular to PCNs and the VFF), this seems to be done informally (orally and on a punctual basis) and only when "important things happen"⁵², that is, according to my personal interpretation, at the discretion of the PC Chairman.

Given the poor quality of the information contained in the reportings, minimal conditions required to monitor, control, and influence the actions of the local Executive were far from being met.

Secondly, the poor quality of the report also indicates that local constituents simply did not demand better and more sophisticated information, suggesting that they simply did not position themselves as being oversight institutional bodies.

What also transpired from the interviews is that concerns regarding OSS operation were relatively rarely expressed by leaders of local mass organizations or by the chiefs of villages. In two localities (Vinh Thanh Van, Kien Giang province and Quynh Luu, Ninh Binh province) officials told us that the heads of the local VFF contested the length of services delivery, especially in relation to social affairs.

Local officials also mentioned that concerns had been expressed by leaders of local women's mass organizations. Their complaints concerned the fact that local OSSs should also function as venues for the gathering of mass organization members, and that information about Government policies should be posted on their walls. Their complaints also regarded the poor quality of social services provision.

Table 23: Accountability sub index aggregated of all communes assessed

N°	Indicators	Measurement of the indicators	Average score for all communes assessed ⁵³
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⁵² This expression was used by the Chairman of the PC of Thach An district, Cao Bang Province

⁵³ 1 to 10, where 10 equals full compliance with legal and operational

3.1	Local authority commitment to account for their actions in relation to OSS to citizens	<ul style="list-style-type: none"> ▪ Qualitative assessment of the answers provided by local officials concerning how illicit bureaucratic practices are prevented, managed and solved; ▪ Qualitative assessment of the modality chosen by local authorities to notify clients when a delay in the delivery of the service occurs; ▪ Feedback of OSS clients that were asked if, in case of wrongdoing, they would trust that local authorities would effectively take action against a guilty bureaucrat 	2.4
3.2	Effective oversight of local PCnls over OSS related affairs	<ul style="list-style-type: none"> ▪ Qualitative assessment of the capacity of local officials to mention the concerns and expectations of the members of the PCnls vis-à-vis the results and the performance of OSS 	2.0
Accountability sub index aggregated average score			2.2

Source: my own representation

2.2.4 Global overview of consolidated results

Table 24: OSS support index aggregated by all communes assessed

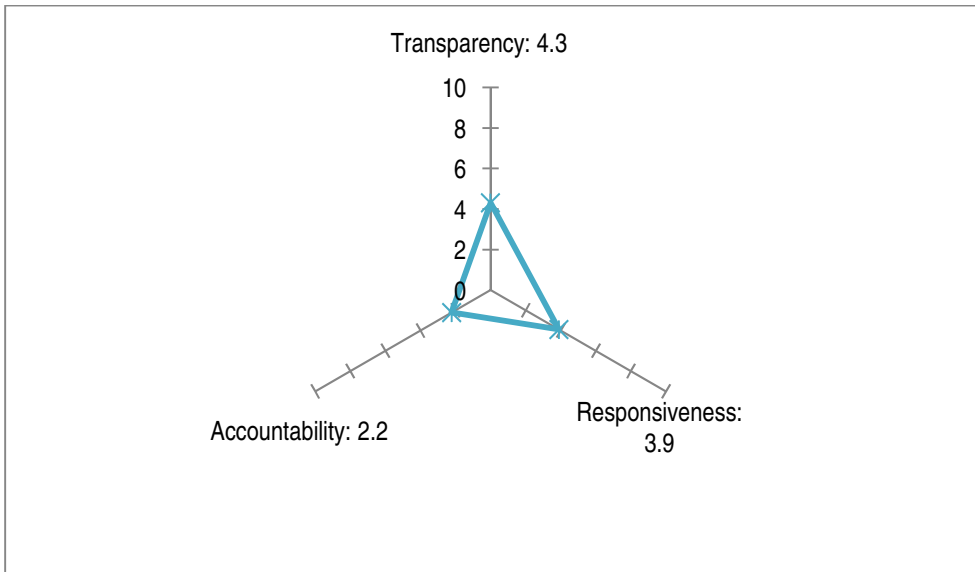
Nb.	Sub-indices - indicators	Total
1	Transparency	4.3
1.1	Visibility of information related to services fees, delivery time limits, and conditions for application of dossiers	5.6
1.2	Adequacy of information provided to citizens inside and outside the OSS	3.1
2	Responsiveness	3.9
2.1	Adequacy of services delivery to meet people’s needs and expectations	3.1
2.2	Lawfulness of charged fees and costs paid by applicant for the delivery of the service (no extra fees accepted)	3.7
2.3	Financial sustainability of OSS	5.2
2.4	Managerial commitment to ensure the performance of OSS	3.6
2.5	Effective mechanisms set up by local authorities in favor of citizens for their participation in decisions concerning administrative services delivery related affairs	3.1
3	Accountability	2.2

requirements, 1 equals no compliance at all

3.1	Local authority commitment to account for their actions to citizens in relation to OSS	2.4
3.2	Effective oversight by local PCnls over OSS related affairs	2.0
	OSSPI	3.5

Source: my own representation

Table 25: Radar graph of OSSPI: commune average



Source: my own representation

Table 26: OSS local support index broken down by communes assessed

Commune /ward name		Key local features			Sub-indices			OSSPI (0 – 10)
Province	Commune/ward	Urban/ Rural	Ethnic heterogeneity	Poverty rate (with respect to national average rate: 28.9%)	Transparency (1-10)	Responsiveness (1-10)	Accountability (1-10)	
					33%	33%	33%	
Hanoi	Ward 2	U	-	1.2	6.0	5.3	2.5	4.6
Ninh Binh	Cuc Phuong	R	x	24	7.0	4.0	2.5	4.5
Hanoi	Doi Can	U	-	1.2	5.0	6.3	2.0	4.4
Ninh Binh	Quynh Luu	R	-	19.5	6.0	4.3	2.5	4.3
Tra Vinh	My Hoa	R	x	38.2	6.0	4.3	1.5	3.9
Quang Nam	Tan An	R	-	11.3	5.0	4.0	2.0	3.7
Da Nang	Vinh Trung	U	-	1.1	4.5	3.3	3.0	3.6
Da Nang	Thuan Phuoc	U	-	1.5	4.5	3.5	2.5	3.5
Kien Giang	Vinh Thanh Van	U	-	12	3.5	4.3	2.5	3.4
Dong Thap	Tan Thuan Tay	R	-	16.6	3.5	3.5	3.0	3.3
Quang Nam	Binh Duong	R	-	31.6	3.5	3.8	2.5	3.3
Quang Nam	Que Minh	R	-	36	4.0	3.8	2.0	3.3
Tra Vinh	My Long Bac	R	-	14.9	4.5	3.3	2.0	3.3
Kien Giang	Mong Tho B	R	-	17	2.5	4.8	2.0	3.1
Quang Nam	Tam Phuoc	R	-	16.8	2.5	4.3	2.5	3.1
Kien Giang	Mong Tho A	R	-	17.5	3.0	3.8	2.0	2.9
Dong Thap	Cao Lanh 2	U	-	12.3	3.0	2.5	2.0	2.5
Dong Thap	Phu Duc	R	-	16.2	3.5	1.5	1.0	2.0
Total					4.3	3.9	2.2	3.5

Source: my own representation

Table 27: Provinces – Northern area: OSSPI values per commune

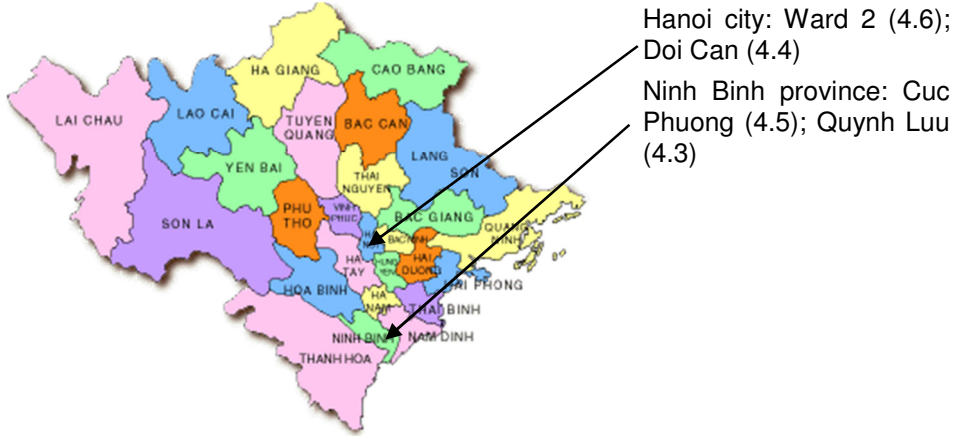


Table 28: Provinces – Central area: OSSPI values per commune

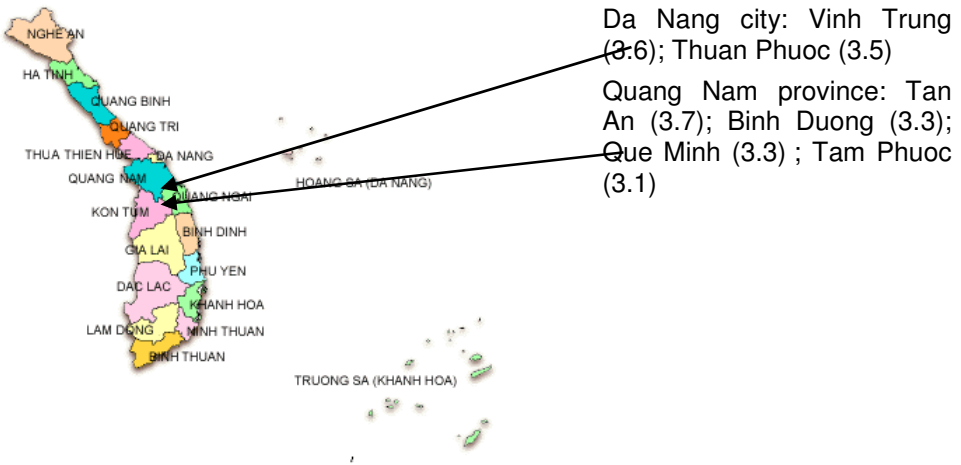
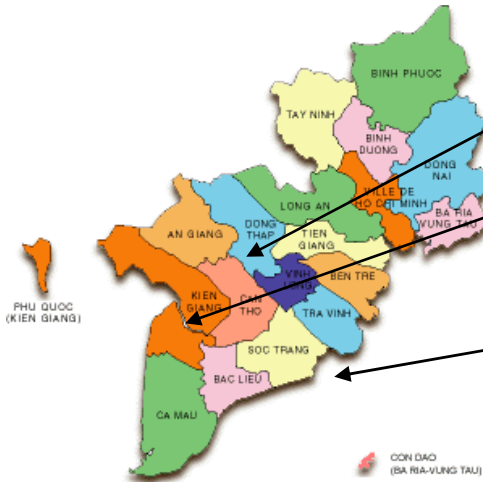


Table 29: Provinces – Southern area: OSSPI values per commune



Dong Thap province: Tan Thuan Tay (3.3); Cao Lanh 2 (2.5); Phu Duc (2.0)

King Giang province: Vinh Thanh Van (3.4); Mong Tho B (3.1); Mong Tho A (2.9)

Tra Vinh province: My Hoa (3.9); My Long Bac (3.3)

3. Summary of, and comments on, findings

3.1 Summary of findings

3.1.1 General assessment of OSS outcomes on the ground

The first comment that needs to be put forward is that OSS results on the ground are quite deceiving. The same deceptive conclusion is advanced in the report commissioned by the MoHA and the MoJ (2005) concerning the assessment of the OSS program. The report concludes that

the OSS implementation in all departments, agencies, district-level and communal PCs on a large scale **is unfeasible and inappropriate** [written in bold and underlined]. Secondly, further studies should be carried out to guide the implementation of different OSS models based on the demands of citizens and corresponding to local socio-economic situation and features (MoHA & MoJ, 2005, p. 13).

3.1.2 OSSPI, poverty rate and level of urbanization of commune

It seems that there is a difference of OSSPI with regard to the poverty rate and the level of urbanization of the commune. No conclusion should be drawn in this regard given that the data are not sufficient to perform any statistical correlation; however, these variables, based on the primary data collected in this research, seem to be correlated with the performance of the aggregate index.

In fact, almost all communes that score an OSSPI below the average (3.5) are located in rural settings; the majority of those that score above it are urban communes. Again, no firm conclusion should be drawn, but this may indicate the existence of a correlation between the quality of OSS implementation and the level of urbanization and the poverty rate.

3.1.3 Performance of OSSPI sub-indices

OSS effects on commune level PASD transparency

Among the three dimensions evaluated (transparency, responsiveness, and accountability), data collected in the field indicate that the OSS program has, in relative terms, contributed rather to enhancing the transparency of PA services delivery (OSSPI transparency sub index = 4.3).

If one considers the outcomes alone with regard to the improvement of the visibility of the information made available to the public in the OSS venue related to service fees, delivery time limits, and conditions for application, then results are encouraging (OSSPI transparency sub index, indicator “Visibility of information” = 5.6).

In contrast, relatively less encouraging are the results concerning the adequacy of information provided to citizens inside and outside the OSS (OSSPI transparency sub index, indicator “Adequacy of information provided to citizens

inside and outside the OSS" = 3.1).

This meager result is explained by the fact that commune authorities rarely disseminate information regarding OSS in their localities and because OSS, in most cases, still does not operate as a local information center that provides data to citizens on local budget and/or running projects financed with local funding. Citizens also confirmed that they still prefer to address questions directly to OSS staff, since they, themselves, are not familiar with reading administrative procedures, standards, or instructions on how to submit applications.

Nevertheless, the relatively positive effect of OSS on the transparency of PASD at commune level was also partially confirmed by OSS clients. It has to be stressed that with respect to administrative transparency, OSS is, with the Grassroots Democracy Decree, the first program ever to be adopted in Vietnam. While, by western standards, the general quality of information provided in the OSS would be valued as poor, in the eyes of most Vietnamese it is an achievement.

OSS effects on commune level PASD responsiveness

Globally speaking, insufficient results have been observed with regard to the expected improvement in the responsiveness of local authorities to citizens' expectations and needs (OSSPI responsiveness sub index = 3.9).

What explains such modest results is the indicator "Adequacy of services delivery to meet people's needs and expectations" (3.1). Commune authorities do not adapt PASD to local demands (e.g., adapt the service delivery timetable to clients' needs) nor are they interested in surveying clients' needs (see indicator "Effectiveness of mechanisms set up by local authorities in favor of citizens for their participation in decisions concerning administrative services delivery related affairs", which scores 3.1).

Unsatisfactory, too, are the findings related to the managerial commitment of local authorities to ensure the performance of the OSS (indicator = 3.6). Lack of pro-activity to implement and collect recommendations for improvements and to identify and share lessons learned is what has been observed, along with a clear focus on bureaucrats' own level to conform, regardless of citizens' expectations.

Also deceptive are the results of the indicator that measures the adequacy of the fees charged to applicants with the fees regulated by the Ministry of Finance (local authorities charge for services that should be provided free of charge and fees are inflated).

More positive is the primary data concerning the financial sustainability of OSS: this seems to be confirmed in many localities (indicator = 5.2). This good result can be explained by the fact that the delivery mechanism impacts local budget positively and as such, provides local authorities with additional financial resources. On the other hand, however, the level of lawfulness of fees charged by local authorities to clients is very poor (indicator = 3.7). Localities in fact charge more than prescribed by the law and they also charge when they should provide the service free of charge. The reason behind such behavior can be explained by the fact, as pointed out by Painter (2003a), that when central level financial transfers are insufficient to cover the costs of local administrations,

local officials compensate for such lack of funds via new taxes and fees to people so as to cover central Government budget shortfalls (p. 265).

OSS effects on commune level PASD accountability

Finally, primary data seem to indicate that the worst results have been observed with regard to the lack of improvement in local authority accountability vis-à-vis citizens and PCnls (sub index = 2.2).

First of all, local authorities have shown a very poor inclination to account for their actions to citizens (indicator = 2.4). Primary data tend to show that in cases of wrongdoing, local bureaucrats are not sanctioned and no formal mechanisms exist for citizens to report bureaucrats' abusive behaviors. Although requested by law, in cases of delay in service delivery, bureaucrats do not take the time to notify citizens of such delay.

Second, the degree of control exerted by PCnls over the local executive body is also disappointing, as indicated by the reporting practices and its content (indicator = 2.0). An analysis of the frequency, the content, and the recipients of the reporting tends to suggest that the PC Chairman does not consider himself as being obliged to account to commune level institutions for his actions and decisions.

3.2 Comments on findings

3.2.1 Multiple practices, similar responses

On a general level it is important to point out that while local OSSPIs are relatively concentrated (they range from 2.0 to 4.6), on the ground a large array of practices and methods to respond to the OSS program has been observed. In the vast majority of cases, these practices did not match the OSS program expectations and this explains the poor results of the OSSPI.

The most striking evidence of the lack of homogeneity is, for instance, the large number of diverse services provided at local level (in one commune, for instance, citizens had to submit a request to change the color of their car; such requirement was not found in other places) and the level of fees charged to customers (e.g., service fees are in general decided at local level, regardless of the instructions of the MoF).

It also has to be said that on other issues, localities appeared to respond in quite a similar manner to the OSS program. This is the case, for instance, of the lack of commitment of local authorities to account for their actions. Another example is the lack of commitment to identifying clients' preferences and needs with regard to OSS delivery operations.

Also quite striking is the position of local officials with regard to their suggestions to improve the delivery agency; in the bulk of cases, local officials were likely to focus on their self-interest. As previously mentioned, they tended to benchmark OSS performance against the level of their comfort and not against the institutional mission of OSS, which is to better serve the citizens.

3.2.2 Strategic positioning with regard to the OSS initiative

Primary data seem to indicate that albeit a divergence of interests may exist on paper between local state stakeholders – in particular between PC Chairmen and functional bureaucrats – their strategic positioning with regard to the OSS program is surprisingly very similar.

It could be expected, in fact, given the diverse stakes involved in the program, for these two state stakeholders to respond differently and also to be antagonistic. While the latter are expected to be against the OSS program (they lose direct contact with clients and therefore their discretionary power to extract extra revenue from them), thanks to such program the former gain power since the overall responsibility for the performance of the delivery agency falls under its competence. But this antagonism has not been observed.

3.2.3 Lack of citizens' willingness to engage with local officials

Findings also point out that citizens lack the willingness to formally engage with local officials. Primary data seem to confirm quite clearly that in cases of problems with local bureaucrats, clients are unwilling to complain formally or initiate a formal denunciation procedure. In order to turn the situation in their favor, OSS customers prefer either to pay extra money to bureaucrats or to ask influential people to intervene in their favor.

Formal institutional channels that interface local officials and citizens are also little used (formal complaints and denunciation, the complaints box, reporting the problem to the Executive, etc.).

3.2.4 Low intensity of conflict between OSS stakeholders

Primary data reveal also a surprisingly low level of conflict between OSS stakeholders, in particular between PCs and citizens. Considering the issues at stake, in particular for customers since it is expected that OSS will benefit them in terms of enhanced fairness, transparency, and responsiveness of the local administration, it is interesting to note that poor local response to the program does not trigger any apparent reaction from people. Citizens seem in fact to adopt a passive attitude vis-à-vis the scant performance of the OSS mechanism.

It cannot be excluded that people's reactions and contestations do exist, especially in those localities that register a very low OSSPI, but it happens behind the scenes and this may not be visible to an external observer like me. However, this conclusion is based on client feedback: primary data show that nearly 3/4 of citizens did not expect guilty bureaucrats to be punished by local officials.

This lack of confidence, as indicated by primary and secondary data, which can also explain why only 15% of OSS customers officially complain to the authorities when victims of abusive behavior, suggests a form of citizen resignation vis-à-vis the power of local authorities.

3.2.5 Concentration of power in the hands of PC Chairmen

A final comment is that primary data seem to indicate that commune level stakeholders position themselves following a hierarchical principle. PCs, that is, the organ in charge of implementing PMD181, operate in an environment that

features little (that is, no) formal institutional constraint. This observation is based on the analysis of the flow of information exchanged between PCs and local constituents.

The analysis of the PC reporting practices is quite informative in this regard. As previously indicated, the procedure regarding operational reporting largely depends on the discretionary will of the PCs. As primary data tend to suggest - and been confirmed by officials of the MoHA and the DoHA during repeated informal discussions - local executives report when they want, how they want, and to whom they want. Institutionally speaking, this information is important: it may signify that no effective constraint is exercised over the PCs to report their activities and decisions.

Secondly, if reporting is executed, data collected indicate that formally it exists only vis-à-vis upper administrative units (this is not done orally, but in writing). While data collected via interviews show that PC chairmen may also report on OSS operations to some state constituents (i.e., commune level PCnls, local CPV cells, and the VFF), it has not been possible to demonstrate that this is done in a formal manner; based on interview feedback I suspect, in fact, that reporting follows an informal procedure.

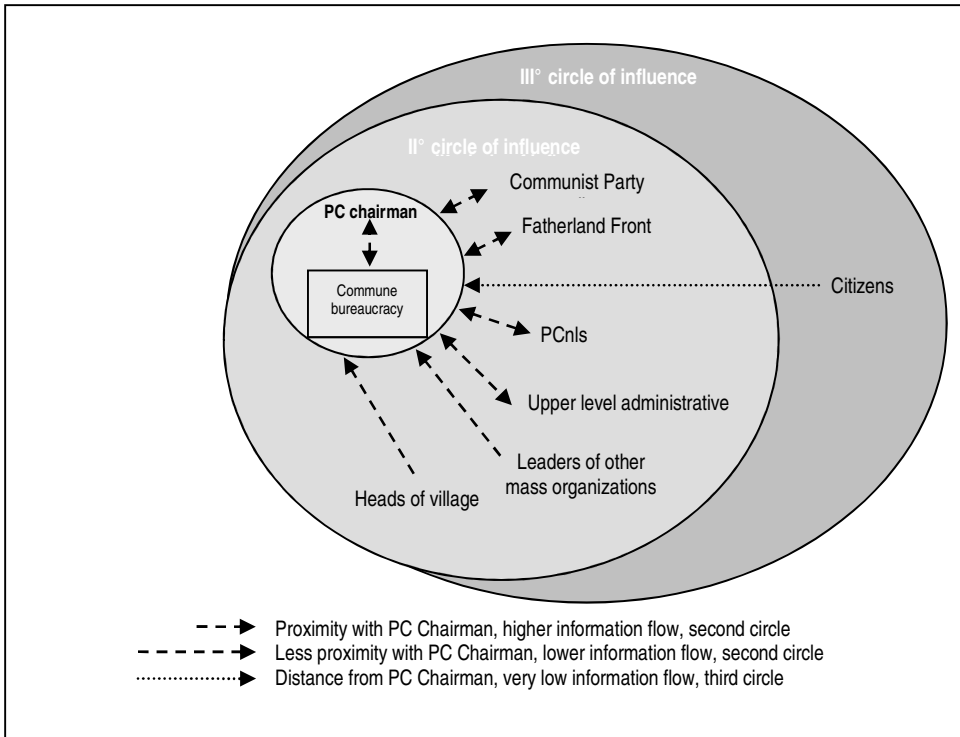
This observation is very much in line with Koh's findings (2004a): according to him, at local level administration "informality is even more the order of things" (p. 221). It is true that, at local level, officials are at the same time often members of all these different structures (the PC Vice Chairman is also the local CPV Secretary and a member of the PCnl⁵⁴); however, what is at stake here is the institutional role played by these bodies.

This may indicate that there is a hierarchy of recipients of PC reporting. Primary data collected on the ground seem to indicate that PC chairmen tend to exchange information, either formally or informally with CPV local cells, the VFF, PCnls, and upper level administrative units. Information seems to flow in a *two way* direction with these agencies. While it may be the chairmen who report to them, one can assume that these constituents themselves also engage with the PC.

As for heads of villages and other mass organizations, the reporting process seems to flow in a *one way* direction (from mass organizations to PC Chairman) and its content transmitted orally. One way direction is explained by the fact that while these constituents may be active in voicing preferences, they are not official recipients of PC operational reporting. This may indicate that PCs do not position themselves as being formally accountable to them.

Table 30: Flows for information based on reporting practices between commune level stakeholders

⁵⁴ According to the LPC, PC Chairmen must be PCnl members



Source: my own interpretation based on primary data

As for citizens, primary data concerning local responses to the OSS program indicate the existence of a *low intensity and one way direction* information flow between them and the PCs. Even if citizens themselves tend not to engage with local executives (only 15% of OSS customers interviewed had in fact on at least one occasion reported to local officials problems encountered in dealing with the administration), technically they nevertheless have the opportunity to voice their preferences and complaints. Along the same line, commitment of the local executive to engage with citizens, as demonstrated by local responses to the OSS program, seems to fall very short.

Also interesting is the analysis of the content of the information exchanged between PCs and local constituents (this is informative of what PCs expect to be held accountable for) and how recipients can exert influence over PC actions and decisions (this is informative of the level of contestability of the recipients of reports). The analysis of a dozen reportings prepared by PCs to upper level agencies indicates that the information provided was not suited to exerting an adequate function of control by the recipients. Informal reporting practices vis-à-vis local constituents (i.e., PCnls, the VFF, and CPV local cells) tend to indicate the same conclusion.

In sum, primary data tend to suggest that commune PCs operate without any apparent genuine institutional constraint, which could partially explain why so many diverse local responses have been observed with regard to the OSS program. Free of any horizontal and vertical effective oversight mechanisms of

control, the local power balance seems to be favorable to executive bodies that respond to the OSS program in that it accommodates specific personal or local interests, regardless of citizens' expectations and needs.

PART V: THE VIETNAMESE POLITICAL REGIME: THE GENERAL ENVIRONMENT WITHIN WHICH THE OSS PROGRAM IS IMPLEMENTED

This part of the thesis presents the Vietnamese institutional environment as well as commune level political institutions. It is meant to provide the institutional and political context within which PAR, and more particularly OSS initiatives, has been adopted and implemented. Furthermore, it is meant to provide the background against which, in Part VI of this thesis, the 4 research questions will be addressed.

I first present the historical and cultural background behind the construction of modern central and local level political institutions in Vietnam. The presentation focuses on three main periods: the *anti-French resistance* (1945-1955), the *participation* of state institutions (1984-1986), and the *statization* phase (1986-present), during which state institution building has had as a formal objective the implementation of a “state ruled by law” (Fritzen, 2006, p. 7).

The presentation focuses on both formal and informal institutional arrangements.

1. Historical and cultural background: toward the formation of modern political institutions in Vietnam

This next section presents a description of the political history of Vietnam, from pre-colonial politics until recent times. The historical background is meant to provide the background to the complexity of political-, social-, economic- and cultural factors that have determined the current Vietnamese system of governance and the institutional environment within which PMD181 has been designed and implemented.

A review of the literature that deals with the historical background of Vietnamese politics allows us to identify schematically two main elements to gain an understanding of the way political traditions and institutions have operated in the past: the Confucianist cultural traditions that have deeply influenced the political and social structure of local communities, and secondly, the characteristics of traditional feudal Viet villages.

1.1 Cultural traditions: Confucianism and neo-Confucianism

While elements of Mahayana Buddhist and Taoist philosophical values have shaped Vietnamese culture over the last two thousand years, Confucianist and neo-Confucianist traditions have had the most important influence (Vietnam, 2012)⁵⁵. Confucianism is a philosophy based on the teachings of Confucius

⁵⁵ Retrieved on 24 February 2012 from

(551–479 BC) and was first adopted as a political system by Han Wudi (156–87 BC) to govern China (Confucianism, 2012a)⁵⁶.

The influence of the neo-Confucianist culture in Vietnam dates back to the 10th century with the Dai Viet civilization who lived in the Red River Delta (Woodside, 1989, p. 143).

Confucianism is based upon certain key concepts and teachings; one of them is filial piety and relationships (Confucianism, 2012a)⁵⁷. Filial piety is based upon the idea of respect for parents and ancestors. "It envisages man as essentially a social creature who is bound to his fellows (...) through five relations: sovereign and subject, parent and child, elder and younger brother, husband and wife, and friend and friend" (Confucianism, 2012b)⁵⁸.

Loyalty is another fundamental principle of Confucius' teachings: the value of loyalty is a declination of the duties owed by members of society vis-à-vis their fellow members - e.g., children to parents, students to professors, wives to husbands, etc. (Wertz, 2012)⁵⁹.

Social harmony, another key value, is a fundamental mission of Confucianist doctrine and it can be achieved only if one's duties vis-à-vis others are respected. As stressed by Confucius, "There is Government, when the prince is prince, and the minister is minister; when the father is father, and the son is son." (Confucius Analects, 2012)⁶⁰.

According to Confucianist precepts, rules benefit from a Mandate of Heaven (Tianming, 2012)⁶¹. The legitimacy of rules rests upon such mandate. "Heaven would bless the authority of a just ruler, but would be displeased with a despotic ruler and would withdraw its mandate. The Mandate of Heaven would then transfer to those who would rule best" (Yong-Bock, as cited in Brewster, 2009, p. 31). What is important is also the fact that according to Confucianist precepts, the Mandate of Heaven does not have to be given to a person who is of noble birth; only moral virtue counts. The legitimacy of rules therefore rests upon his virtue to command and not upon his hereditary ties (ibid).

Confucianism also stresses the idea that rituals (Confucius Analects, 2012)⁶², as

<http://www.britannica.com/EBchecked/topic/628349/Vietnam/52727/Vietnam-under-Chinese-rule>

⁵⁶ Retrieved on 24 February 2012 from

<http://www.britannica.com/EBchecked/topic/132104/Confucianism>

⁵⁷ Retrieved on 24 February 2012 from Ibid

⁵⁸ Retrieved on 24 February 2012 from

<http://education.yahoo.com/reference/encyclopedia/entry/Confucia>

⁵⁹ Retrieved on 24 February 2012 from

<http://www.ibiblio.org/chinesehistory/contents/02cul/c04s04.html#Loyalty>

⁶⁰ Retrieved on 24 February 2012 from

<http://www.search.com/reference/Confucianism>

⁶¹ Retrieved on 24 February 2012 from

<http://www.britannica.com/EBchecked/topic/595275/tianming>

⁶² Confucius Analects II, 3: "Lead the people with administrative injunctions and

opposed to law, allow people to internalize “patterns of behavior” (Wertz, 2012)⁶³ and therefore they act justly vis-à-vis others because rituals exert influence preventively, “before actions are taken” (Confucianism, 2012c)⁶⁴. Under law, according to the thinker, “external authorities administer punishments after illegal actions” are committed, and people act properly for fear of being punished, but without understanding the norm (ibid).

In such context, “ritual and filial piety are the ways in which one should act towards others from an underlying attitude of humaneness” (ibid). Political and social order is then ensured, not via legal means but via a well-defined moral framework.

The idea of meritocracy led to the instauration of official bureaucratic examinations (the first examinations were organized back in 165 BC in China) whereby appointment to a Government position was granted only after passing examinations (Chinese examination system, 2012)⁶⁵. While “candidates faced fierce competition in a series of exams dealing primarily with Confucian texts” (ibid), the objective was to ensure that state officials possessed the strong moral values and technical expertise required to manage state affairs.

1.2 Pre-colonial local institutional building in Vietnam

Pre-colonial historical accounts on Vietnam report a complex social and political organization (see, from instance, Grossheim, 2004; Marr, 2004). The political context of feudal Vietnam mixed both the imported Chinese Confucianist tradition of emperors vested with a *Mandate of Heaven* and the Vietnamese traditions of a village governance system (Woodside, 1989).

Such mix resulted in a “bipolar political system” (Woodside, 1989, p. 148). On the one hand there were the emperors, supreme landlords of society “who sat at the apex of a pyramid of princes, courtiers, military commanders and civil officials,” (Marr, 2004, p. 28); on the other, there were villages that featured their own political organizations.

Confucianist traditions profoundly influenced the persistent political instability of pre-colonial Vietnam. “The highly political humanism of Confucianism and its ambiguous and potentially detachable relationship to the appointed

put them in their place with penal law, and they will avoid punishments but will be without a sense of shame. Lead them with excellence and put them in their place through roles and ritual practices, and in addition to developing a sense of shame, they will order themselves harmoniously” (Routledge Encyclopedia of Philosophy, retrieved on 24 February 2012 from <http://www.rep.routledge.com/article/G001SECT4>)

⁶³ Retrieved on 24 February 2012 from:

<http://www.ibiblio.org/chinesehistory/contents/02cul/c04s04.html>

⁶⁴ Retrieved on 24 February 2012 from

http://www.newworldencyclopedia.org/entry/Confucianism#cite_note-19

⁶⁵ Retrieved on 24 February 2012 from

<http://www.britannica.com/EBchecked/topic/721659/Chinese-examination-system>

bureaucrats”, legitimized the idea that rulers who lost their virtue to govern might be chased from power (Woodside, 1989, p. 146). In this regard, in the eyes of peasants, monarchs were responsible for their living conditions, but most important, they had to protect them from foreign invaders (ibid).

Woodside (1989) notes that from the 16th to the 19th centuries, “no single dynastic house was able to rule all of Vietnam effectively” (p. 147). Political instability was also the result of a lack of a central political structure and identity: “the absence (...) of a large landlord class (...), whose members’ collective self-interest and commercial extensions may have” given rise to the creation of “large cities and a complex national market”, also prevented the “foundation of the centralized monarchy” such as those that existed, for example, in China (ibid).

While emperors had been trying to exert political control over peasants in order to ensure obedience from common subjects, notes Marr (2004), the authority of the courts extended uneasily all the way to village level.

The degree of autonomy of villages vis-à-vis the emperor was contained between the boundaries that are described in these two customary principles: “the laws of the King are less than the custom of the village” and, in opposition, “there is not land under the vault of heaven that does not belong to the King” (as cited in Marr, 2004, pp. 31-32). “What was granted by the rules” to the villagers, stresses the scholar, “could be taken away”; nevertheless, adds Marr, monarchs also realized the difficulty encountered by their civil and military officials to force villagers to comply with rules emanating from the court (ibid).

Researches on the topic seem to stress important diversity concerning political institutions in villages. However, the general rule is that Vietnamese villages were governed by Councils of notables. As explained by Marr (2004) these councils “were composed of male elders who supervised village affairs according to customary rules” (p. 29) and were in charge of managing local affairs. Villages, adds the scholar, also included organizations that were consulted by the Councils of notables before important decisions were taken - e.g., “the literati association, lineage councils, brotherhood, neighborhood groups” (ibid).

Historical accounts of the system of governance within villages show that they functioned on strong “hierarchical principles, usually ameliorated by a search of elite consensus” (Marr, 2004, p. 31). For example, “although all adult males listed on the household register had the right to voice a preference on candidates for village office” (ibid), those who made the decision were, notes Marr (2004), local elites who then would merely presented the result of the deliberation to everyone “at ceremonial gatherings” (p. 31).

Marr explains that (2004, p. 29), although the first historical trace of administrative units in Vietnam dates back to the 10th century, the first formal administrative organization was carried out in the 15th century, when Emperor Le Thanh Ton (1442–1497) divided his realm into regions (13), prefectures (52), sub-prefectures (50), districts (178) and communes (6851). With the increase in the territory of the kingdom and the population, notes the scholar, an additional administrative reorganization was carried out in 1831 by Emperor Manh Mang, who divided the territory into 31 provinces, 75 prefectures, 249 districts, and

over 12000 cantons and villages.

Emperor Le Thanh Ton, following the China governance model and inspired by neo-Confucianist values, was the first to organize his Government into ministries (SarDesai, 1988, p. 36). The Emperor also established “grades of rank”, nine in total, for civil administrators (mandarins) and the military (ibid). He institutionalized a Board of Censors, the first institution ever vested with official “royal authority to monitor governmental officials and with the power to report directly to the Emperor (Ly Thanh Tong, 2012)”⁶⁶.

Under neo-Confucianist influence, Emperor Le Thanh Ton set the rule that state power should be in the hands of “men of noble character as opposed to men from noble families”⁶⁷. Based on these precepts, the emperor’s intentions were to “take power away from the ruling families” (ibid) and give it to mandarins, whose merits had been certified via official bureaucratic examinations.

Historical accounts from Viet villages in the Red River Delta region (Marr, 2004, p. 31) report that the commune head was chosen by village leaders and elders, but he also was “subject to district mandarin approval” (p. 33). District mandarins were the lowest political arm of the monarch. They represented the court’s power at regional and local levels, and in order to exert some type of control over villages and with the objective of reducing social conflicts and unrests, they “formed discreet alliances” with local elites (p. 29).

As stressed by Marr (2004, pp. 28-34), pre-colonial politics in Vietnam was mainly about the permanent tension between the downward governing forces of the courts, whose objective was to control every village via a complex administrative apparatus and the division of the land into administrative tiers of territorial units, and, on the other hand, the resistance of Viet villages that featured their political institutions and succeeded in maintaining their relative political autonomy.

At local level, this political tension was also visible between, on the one hand, the system of governance of the traditional Viet village where “legislative, executive and judicial functions and bodies existing in the same sphere” (Nguyen Van Sau & Ho Van Thong, 2001, as cited in WB, 2004a, p. 28) and on the other hand, the civil structure of the commune, as the expression at the lower administrative tier of the power of the emperors and monarchs (Marr, 2004).

The World Bank (2004a), referring to the work of Phan Dai Doan, notes that nowadays “community affairs and community relations in rural Vietnam are in many respects determined by the historical and traditional relationships between the village (...) and the commune” (p. 24). Along the same line, the World Bank (2004a, p. 24) observes that “the sense of community in Vietnamese society is founded on three main elements: on the household and extended family; on belonging to the same age group; and to the village and home area”. In this regard,

⁶⁶ Retrieved on 24 February 2012 from http://www.reference.com/browse/L%C3%BD_Th%C3%A1nh_T%C3%B4ng

⁶⁷ Ibid

the complexity of the local institutional context today derives from multiple ways in which these kinship networks interact with formal and non-formal forms of economic and social association that exist at village level, and the interaction between these and the political and Government structures and systems that reach down to commune level (World Bank, 2004a, p. 24).

1.3 Colonial local politics: the attempt to reform local institutions

In 1874, the French ruled over the Mekong Delta and by 1885 they also controlled the North, Tonkin, and the center of Vietnam, Annam (Vietnam, 2012)⁶⁸.

In 1897, the Governor General of Indochina introduced a reform meant to centralize French power over the newly conquered territories, and nominated French residents as chiefs of each province with the responsibility “to supervise the local mandarins” (Marr, 2004, p. 36).

Marr points out (2004) that in order to attempt to extend political power all the way down to village level to ensure the colony financial sustainability and political control, the Governor General also launched a program meant to enhance “the capacity of village leaders to collect taxes, produce reports, and prepare annual budgets” (p. 38). Given the lack of administrative personnel, the French colonial power had to rely on village heads, who ensured the functions of assessing and collecting taxes on behalf of the central administration.

But corruption of local notables and officials was pervasive, as pointed out by Grossheim, (2004), and the appropriation of public funds for personal purposes was common practice. In such context, explains the scholar, in the 1920s the French launched another set of reforms. The two most important were meant to reform village finances and administrative matters: the idea was that a village budget should be set up by councils of family representatives that were meant to replace the Councils of notables, the latter being considered as having become “a simple group of persons without any proper mandate and who run the affairs of the village without the bulk of the population being able to ever make themselves heard” (French internal circular, as cited in Grossheim, 2004, p. 60). The councils of family representatives were composed of a minimum of 4 and a maximum of 20 elected members (Grossheim, 2004, p. 60).

The objective of the reforms was double: increase the oversight power of higher authorities over local officials by the introduction of an electoral mechanism, and secondly, give villagers and the French rulers a “better insight into village finances” (Grossheim, 2004, p. 61).

Although initial successes were reported from some provinces, clear evidence soon pointed out that the reform had failed dramatically. Grossheim (2004)

⁶⁸ Retrieved on 24 February 2012 from <http://www.britannica.com/EBchecked/topic/628349/Vietnam/214652/History?anchor=ref509919>

explains the failure to reform the village authorities as being mainly the result of the resistance of notables “who struggled to retain power” (p. 63). In fact, contrary to the expectations of the French, most local notables “refused to run for election to the new Councils – mainly because they rejected the electoral principle” (ibid). Furthermore, notes Grossheim (2004, p. 63) mentioning the work of several scholars (see, for instance, Nguyen Van Tuy, Nguyen Don Phuc, and Ferlande), local notables also refused to work for such councils (e.g., secretary or treasurer), they “sabotage[d] the works and the decisions”, and tried to “undermine the authority of the members” (ibid).

As noted by the scholar, while the idea of the French was that “solely by being elected would the new village councils gain enough legitimacy to be accepted by the whole village community” (Grossheim, 2004, p. 64), this approach underestimated the symbolic and cultural dimension of public authority in Vietnam. Grossheim explains that “rising to a higher level in the village hierarchy also had to be manifest in public ceremonies, and a mere position of power without ritual confirmation was considered worthless” (ibid).

In addition, the elected members of the councils of the families were in general young, without administrative or governing experience, and never had a “prominent position in the village hierarchy” (Grossheim, 2004, p. 64). Their lack of legitimacy also undermined the credibility of these councils.

Lastly, points out Grossheim (2004a) mentioning the work of Baugher (1980), the members of the new councils often took advantage of their function to favor themselves and their families; “they did not consider themselves obliged to work for the benefit of the village community, but instead made extensive use of their power to enrich themselves” (p. 64).

In the light of such deceptive outcomes, in 1927 the colonial administrator adopted a second institutional reform of local governance (Grossheim, 2004). Since the introduction of the councils of family representatives had not succeeded in promoting better local governance, the French administration decided to “re-establish the Councils of notables (...) to reintegrate the old village authorities into the village administration” (p. 66). Eligible to the Councils of notables were now villages with “a mandarin degree” and “those who had passed exams with the French education system” (ibid).

As noted by Grossheim (2004), the re-establishment of the Councils of notables soon turned out to be a failure and did not deliver the expected results: it did not improve local governance nor the performance of village administration. On the contrary, the new system allowed the notables to “take over the reins of power again” (p. 70) and the practice of selling seats on the councils of family representatives to “the highest bidder” became widespread. As stressed by the scholar (2004, p. 70), “the coexistence of two councils and the immense number of new posts made the administration even more chaotic”.

The third institutional reform at local level was adopted in 1941: the councils of families were abolished and the “Councils of notables the only administrative body in charge of village affairs” (Grossheim, 2004, p. 71). With that, the French “put an end to their ambition to reform” (ibid) village institutions and, as stated in official documentation, it was a “return to tradition and a necessary concession to a society that for many centuries had possessed a hierarchical foundation and

therefore could not understand the electoral principle” (French internal circular, as cited in Grossheim, 2004, p. 71).

Marr (2004) describes the politics of the Vietnamese colonial phase as a continuous attempt by French colonists to control village power holders by replacing the system of governance dominated by notables, who were the center of resistance to their colonization, and by adopting alternative administrative and civil structures. However, these efforts were repeatedly deflected since it proved impossible to institutionalize many of the initiatives initiated by the French.

2. Building the political institutions of modern Vietnam

Phong & Beresford (1998) distinguished three main phases in state institution building in modern Vietnam: the establishment of Democratic Republic of Vietnam (DRV) institutions, that is, from independence to the end of the First Indochina War (1945-55); the *participation* of the state, from 1955 to the Doi Moi reforms; and finally, the *statization phase*, from 1986 to the present.

2.1 From 1945 to 1955: the anti-French resistance

In September 1945, a declaration of independence established the DRV; its provisional Government immediately set up by decree local PCnls and Administrative Committees (Marr, 1995). Although members of the PCnls “were to be established by popular direct election”, and formally had the authority to appoint the administrative committee (Marr, 1995, p. 41), in practice, the power was soon concentrated in the hands of local executive bodies, i.e., the administrative committees. Their members “met behind closed doors” (p. 42), whereas villagers “had the right to attend PCnls meetings but not raise questions” (ibid).

The decree had a two-fold objective: to set up local civic institutions “to serve the interests of the inhabitants of their respective territories” and secondly, place local administrative units “under extensive scrutiny from higher echelons and provided punishment for contradicting decrees or instructions from above” (Marr, 2004, p. 42). Such scrutiny and control was systematically exerted: for instance, if local officials decided to “issue a resolution contrary to higher authority, it would be told to rescind or correct the document”, otherwise the PCnls “could be dissolved and new elections ordered” (ibid). Administrative committees were “instructed to *carry out the orders* of higher echelons; if they did not, the Committees could be discharged and everyone removed from council membership as well” (ibid).

By the end of 1946, war broke out and, as noted by Marr (2004), in most localities PCnls stopped meeting. A few years later, in 1953, the Government decided to abolish them because landlords and notables were overrepresented. Only after the land reform in 1959, that re-established in the eyes of the Government a “political correct class composition”, were PCnls set up again (p. 43).

During the anti-French resistance years (1945-1954), local authority was ensured by administrative committees and “a number of local offices responsible

for security, customs and indirect taxes, finance, transport, justice, education, and health" (Marr, 2004, p. 43). These offices operated with the administrative committees who, at the same time, took orders from their ministers, following a vertical line of command. Most of these offices disappeared due of war, but reappeared in the north of the country (Marr, 2004) after the Geneva Accord in 1954.

In addition to the civil administration, notes Marr (2004), since 1945 three new institutions have been established which still exist today: the Vietnamese army, the Viet Minh/VFF and the CPV. As regards the army, "it had to be built from scratch" (Marr, 2004, p. 46). Almost all the units were first set up at grassroots levels; in the years that followed, acknowledged the scholar, the army organized itself from small units to "regular battalions, regiments, and eventually the divisions which defeated the French at Dien Bien Phu in 1954 and went on to fight the Second Indochina War [1960-1975]" (ibid).

As Marr points out (2004), the Viet Minh/VFF mass organization was the second new institution to reinforce local civil administrations: "it fulfilled many state tasks that the DRV civil administration and the army were unwilling or unable to do", namely, "political campaigning, collection of *donations* [i.e., taxes], mobilizing labor brigades, etc." (p. 46).

As for the party, "to avoid Chinese army suppression of the nascent DRV" (Marr, 2004, p. 47), it dissolved itself from 1945 to 1951, while still "continuing to function behind the scenes" (ibid). During that time, notes Marr, its main activity focused on the "evaluation, promotion or removal of personnel within the Viet Minh, the army and the civil administration" (ibid), as well as on nation building and consolidation of the legitimacy of a newly formed state.

At the beginning of the 1950s, the Party - now called the Vietnam Workers' Party - went on to set up political cells in "every imaginable social group in the country, and the Party hierarchy soon paralleled and penetrated in other organizational hierarchies" (Marr, 2004, p. 47), from the center down to the commune and the village. As stressed by Marr, for the first time in history, the CPV succeeded where former political elites had previously failed: infiltrate the local political structures to a degree never seen before (p. 48).

While the basis of the modern political and administrative institutions was laid during the DRV, in relative terms the Party played quite a restrained role in public management, while the provisional Government was left to manage national affairs relatively autonomously (Phong & Beresford, 1998, p. 21). As pointed out by the scholars, although key positions were in the hands of Party members, non-Party members were still represented in state administration. For instance, the first provisional Government in 1945 consisted of 14 members, of whom 7 were not CPV members (p. 15). Political leadership in the civil administration was exercised through "policy guidance and strategically placed cadres within the Government" (p. 21).

At local level too, the Party succeeded in mobilizing non-Party members such as teachers and local notables into administrative service and administrative committees. The lack of governance expertise among Party members had to be compensated "by experts and intellectuals [from] outside the Party" (Trang, 2004, p. 149).

2.2 From 1954 to 1986: the partification of the state

It is during the second phase, what Phong & Beresford (1998) have called the *partification* (p. 33) of the state (1954-1986), that the Party accomplished its infiltration into every single civic and political organization in the country (Marr, 2004; Phong & Beresford, 1998, p. 25). It also started to intervene directly in state affairs, exerting full control over the Government and the PA. This meant that the Party assumed a greater role not only in the definition of strategic goals, but also at the operational level via increased participation in policy implementation and control (Phong & Beresford, 1998, p. 21).

As pointed out by Phong & Beresford (1998, p. 37), “the central body of Government was the Government Council (...) which included the ministers and had a Standing Committee comprising the Deputy Prime Minister and Chairman of the Office of Government”. All top Government officials were top Party cadres or members of the Politburo (p. 40).

The level of segmentation, complexity, and the size of the state and the administration increased dramatically under central planning, as illustrated, for instance, by the number of central organizations. As pointed out by Vasavakul (1996, p. 44), in 1959, “there were 20 ministries (...). In 1987 there were 28 Ministries, 28 ministerial level organizations and 26 state organizations under the Councils of Ministers”.

The party-state was made up essentially of four institutions: “the Political Bureau, Secretariat, Central Committee and a series of Specialized Committees” (Phong & Beresford, 1998, p. 40). The Executive Committee of the Central Committee, formed by the General Secretariat, and the Political Bureau, was the most powerful group in the country and decided the main policy programs (ibid).

As recalled by Trang (2004, p. 150), at that time, “Party resolutions and directives also held legislative power, while the National Assembly was rather formal, processing Party decisions into legal documents”.

It is important to highlight, as noted by Phong & Beresford (1998), that it is during these years that, based on the concept of *democratic centralism*, the Vietnamese Party-state, as a political entity, moved to embrace the whole machinery of the Legislative, Executive, Judiciary, administration, and the army. The key governance principle of Vietnam was enunciated in 1976 during the 4th Party Congress by General Secretary Le Duan “the Party leads, the state manages and the people are the masters” (Phong & Beresford, 1998, p. 47).

One of the key features of this *partification* period is that the state administration and the Party system, though “technically separated”, gradually became “interposed and overlapping” (Phong & Beresford, 1998, p. 49). As stressed by the scholars, “there was the existence of two rules (Party and state) within one person. (...) most key cadres in the state organizations were simultaneously high ranking cadres in the Party” (ibid).

There was also “extensive and continual fluidity” (Phong & Beresford, 1998, p. 51) between the state and the Party officials, where for example the “provincial Party Secretary could be promoted to a position of minister at the center” (ibid). In addition, “even if Party cadres did not work for the state, they remained on the

payroll of the state. Party organs and cadres depended on payments from the state budget” and such “allocations were not submitted to the NA” (ibid).

At local level, each state administrative tier had a PC (with a Chairman and a Vice Chairman both appointed by higher level authorities), administrative departments and offices, and a “parallel Party organization” (Phong & Beresfod, 1998, p. 38). The provincial and district Party organization followed the same model: Party Secretariat - the Secretary being the “highest person in the province, ranking above the Provincial PC Chairman who was normally also the Deputy Secretary” (p. 45), Party Standing Committee, provincial/district Standing Committee and finally, sub-Standing Committees.

Phong and Beresfod (1998) note that the communes did not have such complex administrative bodies, and were managed by a Chairman and Vice Chairman, with “several committee members in charge of areas such as security, social affairs (culture, education, health, welfare) and various branches of trade” (p. 38). Party organization was also simpler at commune level: the highest function was that of Party Secretary, followed by Deputy Secretary and the members of the Party Committee. The PC head was also, in the majority of cases, Secretary or Vice Secretary of the Party (Phong & Beresfod, 1998, p. 45).

The *partification* of the state also consolidated “the long applied principle of dual accountability” (Phong & Beresfod, 1998, p. 52). This meant that “each lower level organ was accountable, on the one hand, to the highest ranking person in their locality and, on the other hand, to the head of their branch at the centre” (ibid). In this model, the local Chairman was responsible for signing “all the relevant decrees and appointed or dismissed [local functional civil servants]”; nevertheless, “such appointments and dismissals had to be approved by the minister in charge of the relevant branch” (ibid).

The dual accountability regime was a way of “guaranteeing central control” over the administration and all regions of the country, where “geographical relations were more sensitive than branch ones” (Phong & Beresfod, 1998, p. 52). The other objective, point out the scholars, was to ensure local coordination and “prevent the formation of organized factions based on institutional interests” (horizontal accountability), while at the same time ensuring that state regulations were passed all the way down the administration apparatus and “localist tendencies” (p. 53) kept under control.

Such model brought about a complex network of relations linking state officials, administrative cadres, and Party members; as pointed out by Phong & Beresfod (1998, p. 53) “while the Prime Minister was the nominal arbiter, the result [of the dispute] also depended on the General Secretary and the chair of the Organization Committee”.

As recalled by Phong & Beresfod (1988), “in some key instances in the 1980s, the most influential Party personalities supported provincial leaders who had initiated reforms”, in opposition to ministerial regulations (p. 53). A good example is the fence breaking initiative. Driven by profound dissatisfaction with the land collectivization processes, in the mid-1970s, some local senior leaders started experimenting with alternative modes of production by directly “allocating land to farmers and directly contracting with them at prices above those set by the plan” (Commission on Growth and Development [CGD], 2008, p. 16).

While, at first, this was done almost secretly since it was beyond what was allowed by official rules, the contracting approach soon received political attention and then support, to the point that in 1980 the Party Secretariat of Hai Phong “not only extended the contracting approach to the entire province, but also vowed to lobby the Party Central Committee so that the approach could be scaled up nationwide” (CGD, 2008, p. 16). As reported by the CGD (2008), after visiting the region, the Prime Minister expressed empathy for the experiment, and in 1981 the Party Secretariat officially signed the end of the agricultural cooperative and endorsed the contracting approach throughout the country (CGD, 2008). On the other hand, “ministers could use similar means of overcoming the objections or resistance of provincial leaders” (Phong & Beresford, 1998, p. 53). In such system, add the scholars, the results of such confrontations “depended very much on the relationship between the individuals involved” (p. 53), their personal connections, and their political resources.

Politics also took place within the administration. Accounts of Vietnamese technocrats, as reported by Vasavakul (1996, p. 44), point out that conflicts took place between Government agencies and line ministries for the control and management of state owned enterprises (SOEs) resources, between “state planners and ministerial offices”, between “ministerial offices and managers of production units”, and between “managers and workers [for] the allocation of investment capital, input quotas, production targets, workers’ wages and social benefits” (p. 45). “In the agricultural sector”, notes the scholar, the issues at stake “included long-term mechanization of agriculture, investment funds, procurement quotas, agricultural prices, and agricultural taxes” (ibid).

With the agrarian reform initiated in the late 1950s, and especially in the late 1960s, in Northern Vietnam an important change in local state administration occurred: the agricultural cooperatives started to become increasingly powerful and “PC began to be eclipsed” (Phong & Beresford, 1998, p. 57). “Party ideology”, as noted by the scholars, “foresaw the increase in the role of state power at the cooperative level” (ibid); cooperatives were expected, in the long run, to “arrange all questions of economic, cultural and social life” (ibid). The power of cooperatives lasted until the introduction of the contract system in 1981, when cooperatives “gradually lost their role as the basic economic unit and the role of the PC as the lowest state authority grew” (p. 39).

The implementation of the central planning system and the “expanding state ownership and control of the means of production” (Phong & Beresford, 1998, p. 33) of the Party-state also characterized the *participation* period. The adoption of the central planned economy started at the district level since it was considered by the communist ideologues to be the most adequate strategy “to advance fast, strongly and directly to the socialist mass production, bypassing the stage of capitalist development” (Le Duan, as cited in CGD, 2008, p. 14). As pointed out in the report of the CGD, the planning system

was an attempt to rapidly industrialize agriculture by bringing mass production to the rural sector thanks to irrigation, fertilizers, and tractors. The operation of this model required a minimum scale, which districts alone were supposed to provide. The Vietnamese version of the

planned economy model thus came to be known “as the district as a fortress” (CGD, 2008, p. 14).

This period is also characterized by the end of the Second Indochina War (1960-1976) and the integration in 1976 of the South into the Hanoi centered state. With reunification, the reform of land collectivization was also extended south of the 17th parallel (CGD, 2008).

The effective success of the central CPV to control society and local authorities has been extensively questioned, as demonstrated for instance by the important number of fence breaking⁶⁹ initiatives (CGD, 2008). The significant regional diversification of the central planning system, the difficulty of the Party and the Government to exert firm control over local communities, and the relative autonomy of local administrative units over production and resources provided considerable scope to evade inconvenient regulations, or to negotiate over their enforcement (Hardy, 2001). As noted by Koh (2001b), under such conditions, considerable formal and informal political activity took place “around the state” (p. 290); while decision making was clearly top-down, the final form and implementation of many policies was negotiated at local level through a “process of action and reaction” (p. 280).

Shanks et al., (2004, p. 9), reporting the work of Kolko (1997), point out that historical accounts indicate that in the North direct resistance to collectivization “was rare” (p. 9). However, such resistance, add Shanks et al., (2004) referring to Hy Van Luong (1992) “took the form of ignoring or evading collective regulations where it was in local interests to do so” (p. 9). In some regions, note the scholars mentioning Watts (1998), “there had been a shift back to household production and a rise in the number of hidden contracts to households with the passive consent of local officials” (ibid).

In most “areas of the South, the collective system of land holding was never a dominant feature of agricultural production” (Shanks et al., 2004, p. 10). The scholars, referring to Truong (1987), note that in the early 1980s officials “had resigned themselves to failure (...); if the leadership in the South had not modified the collectivization process” - by accepting or even initiating the fence breaking initiatives – “there could have been open revolt” (Shanks et al., 2004, p. 10).

Shanks et al., (2004), mentioning the work of Hy Van Luong and Unger (1998), add that starting in 1981, “cooperatives were abandoned”, and “by the late 1980s [in the South of Vietnam] much of the land had already been returned to its original owners” (p. 10).

2.3 From 1986 and the statization phase

As pointed out by Shanks et al., (2004), the catastrophic economic performance that followed reunification coupled with the collapse in agricultural production in the mid-1980s, resulting in a food shortage, triple digit inflation, diplomatic

⁶⁹ “Fence breaking” was an initiative meant to allocate agricultural “land to farmers and directly contracting with them at prices above” the official price set by the plan of the Ministry of Agriculture (CGD, 2008, p. 16)

isolation, and firm resistance to collectivization in the countryside, were critical in prompting a rethink of the planned system “at the highest level” (Shanks et al., 2004, p. 8) and “directly challenged the regime in the eyes of the public” (Alagappa, 1995, p. 269).

As noted by Vylder (1993, as cited in Shanks et al., 2004, p. 10), “the failure of the central planning system to maintain control over resources forced economic agents to engage in a reform process from below; the authorities had tacitly to admit that the old development model had become unimplementable.”

The evident political concern of the central political elites is clearly reflected in the official statements of the Economic Management Committee made during the 6th Communist Party Congress in 1986:

the bureaucratically centralized management mechanism based on state subsidies, which has been in force for many years now, far from creating the driving force for development, has weakened the socialist economy, limited the use and transformation of other economic sectors, put a brake on production, lowered labour productivity, product quality and economic efficiency, placed distribution and circulation in a state of chaos and given rise to numerous negative manifestations in our society (Socialist Republic of Vietnam, 1987, as cited in Shanks et al., 2004, p. 9).

As explained by Dixon (2004), the Party was failing “to fulfill its promised mission to improve the living conditions of the masses” (p. 17). Its legitimacy, “based on its revolutionary credentials, its victories over the forces of western imperialism, was beginning to wear thin” (ibid). Shanks et al., (2004), referring to Alagappa (1995), acknowledge that the insufficient economic performance that followed the country’s reunification “caused a deep crisis in the moral and intellectual legitimacy of the regime” (p. 10). Furthermore, mentioning Vasavakul (1995), Shanks et al., (2004) note that structural differences – social, economic and cultural - “made the northern model of legitimation impractical in the south and reform in other Socialist bloc countries further undermined its credibility” (p. 10).

As asserted by Shanks et al., the policy shift of

Doi Moi - and the political construct of the *socialist oriented market economy* can therefore be seen as an attempt by the CPV to renew its legitimacy and authority by encompassing a broader spectrum of institutions and economic management processes within the governing ethos of the one-party socialist state (Shanks et al., 2004, p. 10).

Institutionally speaking, the period that followed the introduction of the Doi Moi reforms up to the present has been qualified by Phong & Beresford as the *statization phase* (1998, p. 85). This phase can be described with the following characteristics:

- “A relative retreat by the Party from direct involvement in economic life” (Phong & Beresford, 1998, p. 85) and from its governmental function;
- A shift toward the “rule by law (as opposed to direct personal intervention by leading personalities)” (ibid);

- The “increasing power and volume of work for the Government and legislature” (ibid);
- A relative increase in political participation under the control of the party, combined with reinforcement of the hierarchical authority of the CPV (Abuza, 2002; Porter, 1993; Vasavakul, 1996);
- The rise of local power coalitions linking officials, local elites, and economic interests. This process of horizontal connections has engendered an atomization of power and has contributed to weakening central Party control over local CPV cells and local authorities (Vasavakul, 1996);
- The rise of the power of provinces vis-à-vis the center (Abuza, 2002, p. 130).

3. Vietnamese current institutional set up

The political regime is analyzed firstly by presenting the concept of democratic centralism, and then by presenting its main actors, at central and local level.

3.1 Political regime : *de jure* institutional arrangements

3.1.1 Rule of law and democratic centralism

At the 7th Congress of the CPV in 1991, the Party adopted a “law-based state” (Nicholson & Nguyen 2007, p. 220). While some authors contest that this should not be understood as a formal commitment to the rule of law in Vietnam (see, for instance, Gillespie, 2004), it is important to stress that such announcement marked a “repositioning of the role and authority of the law” (ibid) in Vietnam.

Before 1986, “the Party and its members had not been bound by the law” (Nicholson & Nguyen 2007, p. 220). In line with Marxist-Leninist ideology, “the law had been cast as a punitive instrument rather than a regulatory mechanism” (ibid). With the 7th Congress of the CPV in 1991, and the new revised Article 4 of the 1992 Constitution⁷⁰, “not only the general public, but also Party-state functionaries were to be bound by law” (ibid).

Article 6 of the Constitution defines the governing principle of the state as “democratic centralism”⁷¹. It was in 1976, during the 4th National Party Congress and the first congress after the reunification, that the congress adopted the new Party statutes (it is also at that time that the congress changed the Party name from the Vietnam Workers’ Party to the current CPV (Vietnamese Government official website ⁷²). The statutes reflected the goal of the Party to “realize

⁷⁰ Article 4, Constitution: “All Party organisations operate within the framework of the Constitution and the law”

⁷¹ Article 6, Constitution: “Democratic centralism is the principle governing the organization and activity of the National Assembly, the People's Councils, and all other State organs.”

⁷² The “CPV was established on February 3, 1930 and its name has changed several times over the years: the Vietnam Communist Party (February 1930),

socialism and communism in Vietnam” (Statute of the Vietnam Workers’ Party, as cited in Cima, 1987). On this occasion, the Party also secured its mission as the “highest organization” of the state that had to be “structured on to the principle of democratic centralism” (ibid).

“According to the resolution of the seventh Party Congress”, notes Trang (2004, p. 140), “[*democratic*] centralism rests on Party supervision of macroeconomic decisions, ensuring they conform to socialist principles” while *democratic* stands for “power and responsibility of sectors and local Governments as well as citizen participation in decision making” (ibid). As reported by the scholar, for the party, “there is no contradiction between the two concepts of centralism and democracy” (ibid), since “centralism without democracy leads to bureaucratic, authoritarian and dictatorial centralism. Democracy with the lack of centralism leads to a kind of indiscriminate democracy and anarchism” (Bui Gia Thinh, 1997, as cited in Trang, 2004, p. 140).

The founding text of democratic centralism can be found in Lenin’s 1902 work “*What Is to Be Done?*”, where he describes the centralist aspect of this doctrine, that is, “the subordination of all lower bodies to the decisions taken by higher ones; democracy consisted in the fact that the highest body of the Party was its congress to which delegates were elected by local organizations” (Oxford Concise Dictionary of Politics, 2003, p. 141).

The guiding principles of democratic centralism are⁷³: “election of all Party organs from bottom to top (...); responsibility of Party structures to both lower and upper structures; strict and conscious discipline in the party—the minority must obey the majority (...); decisions of upper structures are mandatory for the lower structures; [and finally], cooperation of all Party organs in a collective manner at all times (...)”.

Democratic centralism in Vietnam takes the form of the “horizontal unification of the three main branches of the Government” and “the vertical integration of administrative ranks from lower communes to the central state” (UNDP, 2006, p. 6). In practice, this means that “while lower administrative levels may be consulted and encouraged to participate in the formulation of policies” (ibid), in reality “the part submitting to the whole, the minority yielding to the majority, lower ranks obeying upper ranks and localities obey the centre” (Marr, 1994, as cited in Dixon, 2004, p. 55). As noted in the UNDP report (2006, p. 6) “once policy decisions have been made, the inclination is to ask for full support from all sectors rather than additional consultation or critique”.

Visible evidence of the application of democratic centralism is that the executive power of the Government “is effectively headed by a three-person collective leadership” (Shanks et al., 2004, p. 17). This comprises the Secretary General of the CPV, the Prime Minister, and the President of the Socialist Republic. As noted by Shanks et al., (2004), “important pronouncements by any one of these

the Communist Party of Indochina (October 1930), the Vietnam Workers’ Party (1951), and the Communist Party of Vietnam (1976)” Retrieved on 24 February 2012 from: http://www.chinhphu.vn/cttdtcp/en/about_vietnam06.html

⁷³ Retrieved on 24 February 2012 from:

http://encycl.opentopia.com/term/Democratic_centralism

are vetted by the others” (p. 17), as the consensus governance model clearly illustrates.

Nguyen Van Sau and Ho Van Thong (2001, as cited in WB, 2003) point out that, officially speaking, Vietnamese political institutions are one of social democracy. Using as example the system of governance of the traditional Viet village, they make a distinction between the social democracy model and the capitalist democracy (p. 27):

- “The model of capitalist democracy is based on the principle of separating the legislative, executive, and judicial functions through independent bodies”;
- “The model of socialist democracy (...) should be based on the principle of the legislative, executive and judicial functions carried out by independent bodies in the same sphere”.

As pointed out by Shanks et al., (2004), “this conceptualization of independent bodies operating within the same sphere but having distinct functions provides good insight into the way in which the various branches of the State interact” and how governance works in Vietnam (p. 32).

3.1.2 Central level: the Party-state actors

The Communist Party of Vietnam

The Communist Party of Vietnam was established in 1930 (Vietnamese Government official website⁷⁴). Since then, the “Party has been renamed several times: the Vietnam Communist Party (February 1930), the Communist Party of Indochina (October 1930), the Vietnam Workers’ Party (1951), and the Communist Party of Vietnam (1976)” (ibid).

According to the statute of the party, adopted in 2001 at its 9th National Congress,

the CPV, established and trained by Comrade Hô Chi Minh, has lead the Vietnamese people to (...) defeat foreign invaders, to abolish the colonial and feudalism regime, to liberate and reunify the country, and then carry out the cause of renovation and socialist construction and firmly defend national independence (Vietnamese Government official website⁷⁵).

The statutes of the Party also point out that,

the Party is firmly organized and unanimous in ideological views and actions. It takes democratic centralism as its fundamental organizational basis, practicing criticism, self-criticism, and strict discipline, pursuing collective leadership and individual responsibility, and promoting comradeship

⁷⁴ Retrieved on 24 February 2012 from:
<http://asomm2011.dgmv.gov.vn/2011/10/test-category/>

⁷⁵ Retrieved on 24 February 2012 from: ibid

and solidarity in line with the Party's political programs and statutes. The Party makes great efforts to maintain its close relationship with the people. The Party operates in accordance with the Constitution and other laws (Vietnamese Government official website)⁷⁶.

Article 4 of the Constitution stipulates that the Communist Party of Vietnam is "the force leading the State and society". The Party is organized "in line with the State administrative apparatus from Central level to provincial, city, district, and communal levels as well as in administrative bodies, schools, enterprises, political/social/professional organizations, army units and police forces" (Vietnamese Government official website)⁷⁷. Party cells are therefore established in every civic and political organization of the country (Abuza, 2001, p. 107).

The National Congress of the CPV is the highest body of the party. It numbers over 1'300 members⁷⁸ who are elected by congress branches at the regional level, and meets in Hanoi every five years⁷⁹.

The delegates of the National Congress elect the Central Committee, which numbers slightly fewer than 200 members⁸⁰ and meets twice a year⁸¹. The Central Committee "elects the Party's strategic leadership body, the Politburo" (Shanks et al., 2004, p. 23), which is made up of 14 members⁸². While the Politburo "determines Government policy, its Secretariat oversees day-to-day policy implementation"⁸³. The Party General Secretary, General Minister of Public Security, State President and Prime Minister hold the key four positions in the Politburo⁸⁴.

The CPV has proclaimed its commitment to transform Vietnam into a "modern industrial nation by 2020" (Will, 2006, p. 2); in order to achieve such result, it has set as priorities the need to reform the state machinery, tackle corruption, and continue modernization and investment in the industrial apparatus (Will, 2006). The need to pursue the PAR program has in addition been reiterated (Will,

⁷⁶ Retrieved on 24 February 2012 from: *ibid*

⁷⁷ Retrieved on 24 February 2012 from: *ibid*

⁷⁸ Retrieved on 24 February 2012 from:
http://news.xinhuanet.com/english2010/world/2011-01/10/c_13684175.htm

⁷⁹ Retrieved on 24 February 2012 from:
<http://www.state.gov/r/pa/ei/bgn/4130.htm>

⁸⁰ Retrieved on 24 February 2012 from:
<http://vietnamnews.vnagency.com.vn/politics-laws/207681/party-central-committee-prepares-for-200-members.html>

⁸¹ Retrieved on 24 February 2012 from:
<http://www.state.gov/r/pa/ei/bgn/4130.htm>

⁸² Retrieved on 24 February 2012 from: <http://www.saigon-gpdaily.com.vn/National/2011/12/99164/>

⁸³ Retrieved on 24 February 2012 from:
<http://www.state.gov/r/pa/ei/bgn/4130.htm>

⁸⁴ Retrieved on 24 February 2012 from: *ibid*

2006). According to the CPV, the state agencies suffer from structural problems “regional and local administrations ignore instructions from the central Government and act at their own discretion or according to personal interests, often in collaboration with the corresponding Party bodies” (Will, 2006, p. 4).

In 2008, membership in the CPV was estimated at about 2.5 million (Abuza, 2001, p. 19) out of a population of over 86 million people⁸⁵. Pensioners are the biggest group of the CPV (27.4%), while people over 40 make up 52.4% (Templer, 1998, p. 99). Young people under the age of 30, representing over 60% of the population of Vietnam, account for slightly more than 10% of Party members (ibid). The majority of Party members live in the north of the country, in particular around the capital Hanoi. Out of the 5 million people living in Ho Chi Minh, only 1.7% are CPV members (ibid).

The level of education of CPV members is weak (Templer, 1998, p. 99). In 1998, only 15% had a university degree and half of them “had no education beyond the age of fourteen” (ibid). According to the highest authorities of the country, the levels of education of Party members “pose a direct challenge to our leadership role” (Vo Van Kiet, former Prime Minister of Vietnam, as cited in Templer, 1998, p. 99).

The State President

The President (art. 102 Constitution) “is elected by the National Assembly from among its members. He is responsible to the National Assembly for his work and reports to it. (...) His term of office follows that of the National Assembly”.

The president (art. 103 Constitution) has executive and legislative power, such as “to promulgate the Constitution, law and ordinances”. He “assumes command of the People's armed forces and the position of Chairman of the Council for National Defense and Security”.

His charge is also to “appoint, remove and dismiss Deputy Prime Ministers, Ministers and other members of the Government on the basis of resolutions of the National Assembly” and “the Deputy Chief Justice, Judges of the Supreme People's Court, the Deputy Chief Prosecutor and members of the People's Inspectorate General” (art. 103 Constitution).

Central level: the National Assembly (NA)

At central level, the legislative power is endorsed by the unicameral National Assembly. The National Assembly “is the highest representative organ of the people and the highest organ of State power” (art. 83 Constitution).

The Constitution stipulates that the National Assembly decides “fundamental domestic and foreign policies, socio-economic tasks, national defense and security issues, major principles governing the State machinery, and the social relations and activities of citizens” (Vietnamese Government official website)⁸⁶:

The National Assembly meets twice a year (art. 86); its members must be at

⁸⁵ Retrieved on 24 February 2012 from: ibid

⁸⁶ Retrieved on 24 February 2012 from:

<http://asomm2011.dgmv.gov.vn/2011/10/test-category/>

least 21 (art. 54 Constitution). In the current legislation (11th National Assembly, 2007-2012), of its 500 members, 450 are CPV members, 42 are non-Party members but approved by it and 1 delegate is self-nominated (nevertheless, he is approved by the party). Of the 500 seats, only 493 candidates are elected⁸⁷. The average age of the delegates is 49; over 90% of them have at least a Bachelor's degree (Abuza, 2001, p. 102).

Members of the National Assembly are elected by universal suffrage (art. 7 Constitution) and the entire election process is strictly overseen by the VFF, which also defines the final and official list, after performing a "background inspection" of all candidates so as to "weed out the less morally and politically upright" (Keenan, 1997, as cited in Abuza, 2001, p. 99).

The deputies to the National Assembly "may question the President of the Republic, the President of the National Assembly, the Prime Minister, Ministers and other members of the Government (...). The Deputies to the National Assembly may also require state agencies, (...) to answer any questions put to them" (art. 98 Constitution).

The National Assembly has the power "to elect, release from duty, and remove from office the Vice-President of the country, the Prime Minister, the President of the Supreme People's Court, and the Head of the Supreme People's Office of Supervision and Control" (art. 103 Constitution). "Under special circumstances, the National Assembly may decide to set up a Special Tribunal" (art. 127 Constitution).

Central level: the Government

The executive branch at the central level is the Government, which "is the executive organ of the National Assembly, the highest organ of State administration" (art. 109 Constitution).

Its charge is "to direct the work for the ministries, the organs of ministerial rank and the organs of the Committees at all levels (...); to ensure the implementation of the Constitution and the law (...); to present draft laws, decree-laws and other projects to the National Assembly and its Standing Committee" (art.112 Constitution).

The Government is composed of the Prime Minister, three Deputy Prime Ministers, Ministers and Heads of ministries (art. 110 Constitution). In the current legislature, there are 18 Ministries, 4 ministerial level agencies and 8 Government agencies⁸⁸.

The Constitution stipulates that the President propose that the NA "elect, release from duty, remove from office the (...) Prime Minister" (art. 103). "Cabinet

⁸⁷ Retrieved on 24 February 2012 from: <http://www.ipu.org/parline-e/reports/2349.htm>

I have not been able to find information regarding the seven National Assembly seats that are not elected and the 1 self-nominated position

⁸⁸ Retrieved on 24 February 2012 from: http://www-pub.iaea.org/MTCD/Publications/PDF/CNPP2011_CD/countryprofiles/Vietnam/Vietnam2011.htm

Ministers and the other Government members shall be responsible to the Prime Minister and the National Assembly for the fields and branches under their respective authority” (art. 117 Constitution).

The “Government is accountable to the National Assembly, to the National Assembly’s Standing Committee, and the President of State” (art. 109 Constitution).

Central level: the judiciary power – the supreme People’s Court

According to the Constitution (art. 134), “the Supreme People’s Court is the highest judicial organ of the SRV”. It “supervises and directs the judicial work of Special People’s Courts and Military Tribunals (...), Special Tribunals and other tribunals, unless otherwise prescribed by the National Assembly at the establishment of such Tribunals”.

The NA “elects and dismisses the Chief Judge of the Supreme People’s Court. The State President nominates/dismisses the Deputy Chief Judge and judges at the Chief Judge’s request” (art. 87 Constitution). “The President of the Supreme People’s Court is responsible to the NA, to which he also makes his reports” (art. 134 Constitution).

“Judges and assessors are independent and shall only obey the law” (art. 130 Constitution). “Court hearings are held in public, except in cases determined by law” (art. 131 Constitution). “Cases shall be tried collegially and their decisions shall be in conformity with the will of the majority” (art. 132 Constitution).

“Defendants have the right to defend themselves or to hire lawyers. They also have the right to use their native languages in court” (Vietnamese Government official website)⁸⁹.

Central level: supreme People’s Procuracy

The Supreme People’s Office of Supervision and Control “supervises and controls obedience to the law by Ministries, organs of ministerial rank, other organs under the Government, local organs of power, (...) citizens; it exercises the right to initiate public prosecution, ensures a serious and uniform implementation of the law” (art. 137 Constitution).

“The Supreme People’s Procuracy consists of the Head who can be elected, dismissed, or removed from office by the National Assembly on the State President’s proposal, the Deputy Heads, prosecutors, and inspectors appointed or dismissed by the State President at the Head’s request” (Vietnamese Government official website)⁹⁰.

3.1.3 Local level: de jure institutional arrangements

The Constitution (art. 118) defines regional and local power branches as administrative units⁹¹. The administrative structure consists of four levels

⁸⁹ Retrieved on 24 February 2012 from:

<http://asomm2011.dgmv.gov.vn/2011/10/test-category/>

⁹⁰ Retrieved on 24 February 2012 from: *ibid*

⁹¹ For the purpose of this research, I will call “local power branches” local

(Fforde, 2003, p. 11):

- Central administration, or central level authorities
- Centrally administered cities and provinces;
- District and city under provincial authority;
- Commune, ward or township, or commune level authorities;
- Village or hamlet.

Vietnam has five central-administered municipalities (Hanoi, Ho Chi Minh City, Hai Phong, Da Nang and Can Tho) under the direct control of the central Government, and 59 provinces. In 2008, there were 604 districts and 10'423 commune level units nationwide (Vietnamese Government official website) ⁹².

A survey conducted in 1998 reported that there were over 1.3 million people who were paid by the state budget (Vasavakul, 2002, p. 33). The number of state administrators was estimated at about 200'000 units, while 1.1 million people were working in the education, health and research fields, and in mass organizations (ibid). The following figures concern all four levels of the administration.

Table 31: Administrative line representative names

Administrative level	Line representative name
Central	Ministry
Provincial	Department
District	Office
Commune	Sections

Source: Fforde, A. (2003). *Decentralization in Vietnam, working effectively at provincial and local government level*, Australian Agency of International Development.

Local level: People Councils

According to the Constitution (art. 119) and the LPC⁹³ (art. 1), People Councils are “the local organ of the state and they represent the will, aspirations, and mastery of the people” (art. 119).

People Councils are the structure of the NA copied in the organization at provincial-, district-, and commune level. The budget of the local People Councils is controlled by the People Committees. The function of the People Councils is to “pass resolutions on measures for the serious implementation of the Constitution and the law at local level, (...)” (art. 120 Constitution).

People Councils at provincial level should have between 45 and 85 delegates.

executive, legislative and judiciary power and “functional local units or agencies” public administration agencies

⁹² Retrieved on 24 February 2012 from:

<http://www.gso.gov.vn/default.aspx?tabid=386&idmid=3&ItemID=9837>

⁹³ Law on Organization of the People Councils and the People Committees (LPC)

While district level People Councils should have members comprising between 25 and 35 units, commune level People Councils should be composed of between 15 and 25 delegates. The exact number is determined by the size of the population (art. 9 LEPC)⁹⁴.

The members of the People Councils “are elected through universal suffrage” (art. 119 Constitution) and “secret ballot” (art. 7 Constitution). It is possible to “be elected member of the People’s Council on two levels at the same time, or of one People’s Council when one is also member of the National Assembly” (Vis, 2000, p. 4).

The selection of candidates occurs in two different ways. The first is direct selection by the local VFF; the second is by self-nomination. As for the first way to select candidates, the VFF’s task is to “instruct its local chapters to organize consultations to select and nominate candidates for the People’s Councils” (art. 6 LEPC). According to the LEPC “the Vietnam Fatherland Front Central Committee shall guide the local Vietnam Fatherland Front committees in organizing consultations to select and nominate People’s Council candidates, and participate in supervising the election of deputies to the People’s Councils” (art. 6)

The second way to select candidates for the People Councils is by self-nomination (art. 27 LEPC). In order to be eligible, self-nominated candidates have to meet the requirement of the law and present “an application of candidacy; a summarized biography; certification by the People Committee at commune level (...) confirming” (art. 27 LEPC) that they are not “mentally deficient” (art. 2. LEPC).

A provisional list of self-nominated and nominated candidates is then prepared by the VFF and sent for public comment (art. 32 LEPC). The contenders are then examined during public meetings where, “on the basis of the criteria for the People Council, they pass judgements on and express their trust in the self-nominated and nominated candidates by either a show of hands or a secret ballot” (art. 32 LEPC). Finally, the VFF’s charge is to “draw up the [final] and official list of candidates for the People Councils” (art. 33 LEPC).

The Constitution stipulates that “the Deputy to the People Councils has the right to interpellate the Chairman and other members of the People’s Committee, (...) and the heads of organs under the People Committee” (art. 122 Constitution). Article 119 of the Constitution says that the People Council “is accountable to [people] and to the superior State organs”.

In addition, the LPC (art. 8) specifies that the People Council “is subject to the supervision and operational guidance of the Standing Committee of the NA and the guidance and inspection of the Government in its execution of the written decisions of State organs (...)”. In cases where the People Council “has caused serious losses with regard to the interests of the people, it shall be dissolved by the next immediate higher People Council; in cases where the body concerned is the provincial People Council, it shall be dissolved by the Standing Committee

⁹⁴ Law on Election of the Members of the People Councils (LEPC)

of the National Assembly” (RCP, art. 62)⁹⁵.

Article 124 of the Constitution prescribes that “the Chairman of the People Committee can suspend or annul the wrong decisions of organs under (...) the People Council of a lower rank”. Furthermore, “it can suspend wrong resolutions of People’s Councils of a lower rank (...)”.

According to the Constitution, “the Deputy to the People Council must maintain close ties with the electors, submit himself to their control, keep regular contact with them, regularly report to them on his activities and those of the People Council, answer their requests and proposals; and look into and activate the settlement of the people’s complaints and denunciations” (art. 121 Constitution).

Finally, the People Council “has to report on the local situation in all fields also to the Fatherland Front and the mass organisations, and shall listen to their opinions and proposals on local power building and socio-economic development” (art. 125 Constitution).

The People’s Offices of Supervision and Control have to report to the People Councils “on the situation in law enforcement in the respective localities, and shall answer the interpellations of the deputies to the People Councils” (art. 140 Constitution).

Local level: People Committees

People Committees “are the local executive organ, the organ of local State administration” (art. 123 Constitution).

Its responsibility is to “implement the Constitution, the law, the formal written orders of superior State organs, and the resolutions of the People Council” (art. 123 Constitution).

The People Committee has a President (or Chairman), a Vice-President (or Vice Chairman) and several members (art. 47 LPC): at provincial level the People Committee has between 9 and 11 members, 7 to 9 at district level, and 5 to 7 at communes.

The People Committee Chairman provides “leadership and operational guidance to the activities of the People Committee” (art. 124 Constitution).

People Committee members are elected by the People Councils of the same level (art. 123 Constitution). While all People Committee members may come from the People Councils, the law specifies that only the People Committee Chairman must be a People Councils member (art. 46 LPC). The PC Chairman and Vice Chairman are selected by the People Council and must be approved by the Chairman of the People Committee of the higher level (art. 46 LPC).

The People Committee Chairman has the authority to remove the People Committee Chairman and Vice Chairman of a lower level (art. 51 LPC). Furthermore, according to the Constitution, the People Committee Chairman “can suspend or annul the wrong decisions of organs under the People Committees and People Councils of a lower rank; it can suspend wrong resolutions of People Councils of a lower rank” (art. 124).

⁹⁵ Regulation on the Operations of the PCnl at all levels (RCP)

Finally, the People Committee “shall make regular reports on the local situation in all fields to the VFF and the mass organisations; shall listen to their opinions and proposals on local power building and socio-economic development” (art. 125 Constitution).

Local level: the judiciary power

The Supreme Court has branches at provincial level (Provincial People’s Court) and at district level (District People’s Court). At commune level, there are not judicial institutions. Justice is ensured by Commune People Chairmen, Commune Inspectorate Boards and Heads of villages (UNDP, 2004c, p. 5).

The “Provincial People’s Court acts mainly as a court of appeal for cases decided by the district courts. Three professional judges settle most cases. The provincial courts can act as the court of first instance for certain types of cases and the decisions can be appealed directly to the Supreme People’s Court” (UNDP, 2004c, p. 2). The District People’s Court “is the court of first instance for criminal cases and disputes of civil, economic, labor and administrative nature. One professional judge and two lay assessors settle most cases at the first instance” (ibid).

Vietnamese Fatherland Front

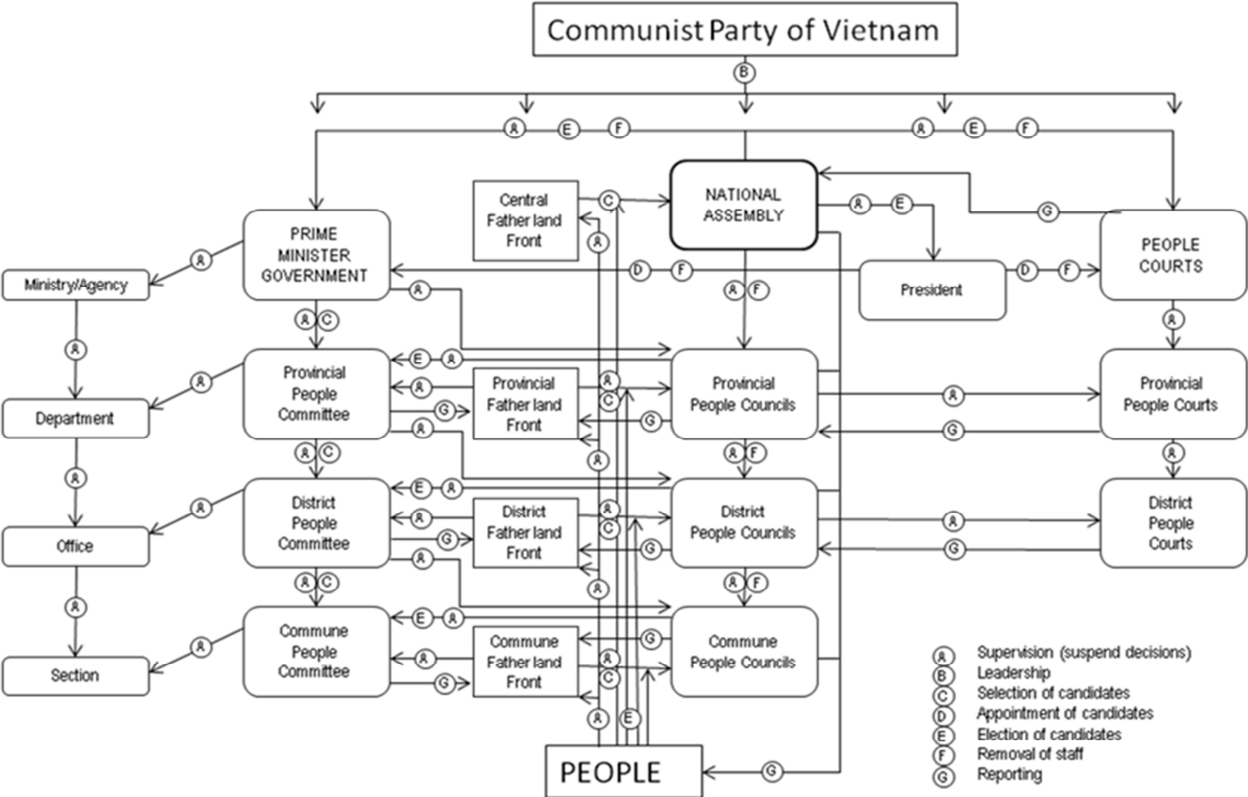
The Constitution stipulates that the “VFF and its member organizations constitute the political base of people’s power” (art. 9 Constitution). It “(...) works together with the State for the care and protection of the people’s legitimate interests, encourages the people to exercise their right to mastery, (...), and supervises the activity of State organs, elected representatives, and State officials and employees”. Furthermore, “the State shall create favourable conditions for the effective functioning of the Fatherland Front and its component organisations” (ibid).

The VFF National Standing Board approves NA candidates, while, as previously presented, local VFF organize “consultations to select and nominate People Councils candidates, and participate in supervising the election of deputies to the People Councils” (art. 6 LEPC)⁹⁶.

The VFF “shall be invited to attend the sessions of the Government” (art. 111 Constitution) or “of the People Council and to attend meetings of the People Committee at the same level when relevant problems come up for discussion” (art. 125 Constitution). The People Council and the People Committee “shall make regular reports to the VFF and the mass organisations; shall listen to their opinions and proposals on local power building and socio-economic development” (ibid).

⁹⁶ Law on the election of deputies to the People’s Councils (LDPC)

Table 32: Organization of the Vietnamese political system based on the revised 1992 Constitution



Source: Adapted from the SRV Constitution 1992


Table 33: Type of formal relationship between governance actors, based on SRV Constitution 1992

Relationship	Type of relationship
The CPV and the political institutions	<ul style="list-style-type: none"> - Leadership: the CPV is the force leading the State and the society (art. 4)
National Assembly and President	<ul style="list-style-type: none"> - Election: the NA elects the SRV President (art. 84) - Supervision: the NA examines all working reports and may question the President of the Republic. It is entitled to abolish any legal documents that do not conform to the Constitution or the Laws and Resolutions (art. 84)
National Assembly and Government and ministries	<ul style="list-style-type: none"> - Election and removal: the NA has the power to elect, release from duty, remove from office the Prime Minister and Ministers (art. 84) - Supervision: the NA examines all working reports and may question the Government and Ministries. It is entitled to abolish any legal documents that do not conform to the Constitution or the Laws and Resolutions (art. 84)
National Assembly and the People Court	<ul style="list-style-type: none"> - Election and removal: the NA has the power to elect, release from duty, remove from office the President of the Supreme People's Court. Under special circumstances, the NA may decide to set up a Special Tribunal (art. 84) - Supervision: the NA examines all working reports and may question the Supreme People's Court and the Supreme People's Procuracy (art. 84)
National Assembly and People Councils	<ul style="list-style-type: none"> - Supervision: PCNs are subject to the supervision and operational guidance of the Standing Committee of the NA (art. 84)
The President and the Government	<ul style="list-style-type: none"> - Appointment and removal: he proposes to the NA the appointment, the release from duty and the dismissal of the Prime Minister (art.103)
The President and the People Court	<ul style="list-style-type: none"> - Appointment and removal: he proposes to the NA the appointment, the release from duty and the dismissal of the Chief Judge of the Supreme People's Court, and Head of the Supreme People's Procuracy (art.103)
Vietnamese Fatherland Front and people	<ul style="list-style-type: none"> - Leadership: the VFF is the political base of people power (art. 9)
Vietnamese Fatherland Front and National Assembly	<ul style="list-style-type: none"> - Selection: all NA candidates must be formally approved by the National VFF

<p>Vietnamese Fatherland Front and People Councils</p>	<ul style="list-style-type: none"> - Selection: all PCnls candidate must be formally approved by the same level VFF cell (art. 6 LEPC) - Supervision: VFF shall be invited to attend the sessions of the PCnl at the same level when relevant problems come up for discussion (art. 125) - Reporting: VFF shall receive the report from the PCnls (art. 125)
<p>Vietnamese Fatherland Front and People Committees</p>	<ul style="list-style-type: none"> - Supervision: VFF shall be invited to attend the sessions of the PC at the same level when relevant problems come up for discussion (art. 125) - Reporting: VFF shall receive a report from PC (art. 125)
<p>People's Councils and People Committees (same level)</p>	<ul style="list-style-type: none"> - Election: the PCnls elects the Chairman of the PC (art. 123) - Supervision: PCnls has the right to interpellate the Chairman and other members of the PC and the heads of organs under the PC (art. 122)
<p>People's Councils and People Courts (same level)</p>	<ul style="list-style-type: none"> - Supervision: PCnls has the right to interpellate the President of the People's Court (art. 122)
<p>People's Councils (one level up) and People Councils</p>	<ul style="list-style-type: none"> - Removal: in cases where the PCnl has caused serious losses with regard to the interests of the people, it shall be dissolved by the next immediate higher PCnl (RCP, art. 62)
<p>People's Councils and citizens</p>	<ul style="list-style-type: none"> - Election: citizens elect the PCnls (art. 119) - Supervision: PCnls operate under the control of the citizens (art. 121) - Reporting: PCnl shall report to people (art. 121)
<p>People's Committees (one level up) and People Councils</p>	<ul style="list-style-type: none"> - Supervision: the PCnl is subject to the supervision and operational guidance of the Chairman of the PC of the next immediate higher level. Wrong decisions by PCnls can be suspended or annulled by the Chairman of the PC of the next immediate higher level (art. 124)
<p>People's Committees (one level up) and People Committee</p>	<ul style="list-style-type: none"> - Approval of candidates: the election of PC Chairman and Vice Chairman need the consent of the PC at the next highest level (art. 52 LPC) - Removal: the PC Chairman has the authority to remove the PC Chairman and Vice Chairman of a lower level (art. 52 LPC) - Supervision: the Chairman of the PC can suspend or annul the wrong decisions of organs under the PCs of a lower rank (art. 124)

Source: Adapted from the SRV Constitution 1992

Table 34: Matrix - Type of formal relationship between governance actors, based on SRV Constitution 1992

	Vietnamese Communist Party (CPV)	VFF (VFF)	NA (NA)	President of the SRV	Government (Central level)	Courts (Central level)	PCnls (Local level)	PCs (Local level)	People Courts (Local level)	Citizens
Vietnamese Communist Party (CPV)		Leadership	Leadership	Leadership	Leadership	Leadership	Leadership	Leadership	Leadership	Leadership
VFF (VFF)			Approves candidates				Approves candidates Supervises	Supervises		
NA (NA)				Elects Supervises	Elects Removes Supervises	Elects Removes Supervises	Supervises			
President of the SRV					Appoints Removes	Appoints Removes				
Government (central level)							Supervises	Approves candidates Removes Supervises		
Courts (Central level)										
PCnls (Local level)		Reports					(One level up) Removes	Elects Supervises	Supervises	Reports
PCs (Local level)		Reports					(One level up) Supervises	(One level up) Approves candidates Removes Supervises		
People Courts (Local level)										
Citizens		Supervise	Elect (based on an approved list of candidates)				Elect (based on an approved list of candidates)			

Source: Adapted from the SRV Constitution 1992

3.2 Political regime : *de facto* institutional arrangements

The previous section sketched out the main features of the formal political regime in Vietnam. The analysis has been done by focusing on how institutions are expected to operate (*de jure*), based on the 1992 Constitution.

I now turn to how the regime operates *de facto*. In this section my intent is to present governance arrangements among the actors that constitute the Party-state (i.e., within the Party-state) and between them and the citizens.

3.2.1 The political culture: the Party-state analogy of the family

While the CPV and the state institutions are the main actors of the system of governance in Vietnam, “policy formulation, implementation and feedback all build on dominant political discourse and popular ways of thinking politics, and we can call this the political culture” (Jorgensen, 2005, p. 317). The importance of discussing the political culture of Vietnam is because “the transfer of demands and rights and the way in which, and the extent to which, citizens are brought into the political discussion are deeply embedded in the political culture” (ibid). Therefore, one can expect that it is an “important factor for the outcomes of governance reforms” (ibid).

Vietnamese political culture is profoundly affected by its Confucianist values. This explains why citizens often make an analogy between the relationship of the state and society and the Vietnamese family when they talk about politics in Vietnam (Jorgensen, 2005). In such context, “people would resemble the children while the state and the Party would resemble the father or the parents” (p. 320).

Such analogy can be found also in the handbook made for cadres to “behave toward the Party as if it were your family” (Jamieson, 1993, as cited in Jorgensen, 2005, p. 320). In line with the Vietnamese political culture, the Party should be seen to “uphold the order of the family and the society and give guidance and protection (...) to the masses” (ibid).

Jorgensen (2005) recognizes a close link between such political discourse and the system of governance based on the principle of democratic centralism and hierarchical nature of the Vietnamese political system. As noted by the scholar, the analogy of the family can in fact also be found in the Constitution; in its Preamble is written: “(...) the Party as leader, the people as master, and the State as administrator”; and in article 4: “The Communist Party of Vietnam (...) is the force leading the state and society”. In other words, the Party defines the people’s mastery for the good of the entire society⁹⁷.

The Vietnamese political culture also comes into play to explain why, as

⁹⁷ Other examples of the analogy of the political regime as a family can be found in the Constitution, article 64: “The family is the cell of society. The State protects marriage and the family. (...) Parents have the responsibility to bring up their children into good citizens. Children and grandchildren have the duty to show respect to and look after their parents and grandparents”.

suggested by empirical data, citizens tend to adopt a subordination posture vis-à-vis authorities; political tradition in fact favors an accommodating mindset with regard to the expression of formal authority, loyalty to the rules, and the quest for social harmony.

Finally, it is also believed that political culture provides a promising venue to understand other key governance characteristics, such as the need not to create any losers in the political process (see, for instance, CGD, 2008) and the need to reach consensus via extended policy negotiation and consultation (see, for instance, McCarty, 2001a).

3.2.2 The Party-state and the superposition of functions

As stressed by Shanks et al., (2004, p. 24), the relations between the state institutions and the Party are complex; “[t]he top political figures – notably the Party General Secretary, the Prime Minister, the President, the Chairman of the National Assembly and the Standing Member of the Politburo – are all Party members”.

Koh (2001b) defined this type of governance arrangements as the “Party-state” and he adds: “it is a state that is controlled by members of the Vietnamese Communist Party, to the extent that distinguishing the political party from the state is almost meaningless” (p. 300). In such context, the state machinery “is seemingly a recipe for incoherence, but at the same time duplication and fragmentation are part of the system of conflict” (Painter, 2003c, p. 213).

A large number of “officials hold positions simultaneously in both spheres”, the Party and administration (Conway, 2004, p. 5). In fact over 90% of NA representatives are Party members; the Party Secretary at provincial level in most cases is also the Chairman or the Vice Chairman of the PC; or the same Chairman may also be sitting in the NA (Shanks et al., 2004).

Substantial rotation also characterizes the Party-state of Vietnam: such rotation occurs (Shanks et al., 2004, p. 18) “between senior posts in central Ministries (e.g., under Secretary, vice-Minister) and senior posts in the Provinces (e.g., Party Secretary, Vice Chairman of PC, etc.)”. Such rotation “helps to maintain a level of consistency and coherence in policy” process (Conway, 2004, p. 5) but also to ensure Party control over the state machinery.

The Party authority over state institutions is also “reinforced through the hierarchies of Party-affiliated mass organizations” which “are clustered under the umbrella of the Fatherland Front” (Shanks et al., 2004, p. 25). The VFF numbers 31 mass organizations, of which “the main organizations are the Vietnam Motherland Battle front, Vietnam General Labor Union, Vietnam Farmer’s Union, Vietnam Women’s Union, the Ho Chi Minh Youth Communist Party Union, and the Vietnam Veterans Union” (ibid).

While researchers acknowledge a complex and evolving relation between the Party and the mass organizations (see, for instance, Kerkvliet, 2001b, 2003; Vasavakul, 1996, 2002; Wischermann & Vinh, 2003), they all share the understanding that the mass organizations, and in particular the VFF, do operate under the formal control of the Party (Shank et al., 2004, p. 25). For instance, it is a common practice that at commune level the VFF is exclusively “made up of

representatives from the commune CPV committee and the heads of different local mass organizations” (Shanks et al., 2004, p. 36).

3.2.3 A multitude of autonomous bureaucratic settings

As pointed out by Fritzen (2006), the executive power in Vietnam (i.e., the Government and the administration) is both “fragmented and overbearing” (p. 6). According to the scholar, authority “is fragmented (...) in a multitude of bureaucratic settings has become relatively autonomous, capable of projecting particularistic interests and actively resisting encroachment and regulation from both other arms of the Executive and from external oversight” (ibid). As such, the Executive clearly dominates the institutional political landscape (Vasavakul, 2002).

3.2.4 The dual subordination principle: blurred accountability

The dual subordination principle is another governance arrangement that characterizes the system of governance in Vietnam. As previously presented, each level of state administration has a PCnl and a PC, with the PC theoretically “being the executive agency of the [PCnl] at that level” (Fforde, 2003, p. 11). Each level has functional offices (or line representatives) that are local branches of central ministries. These lines have the responsibility to “help their corresponding People Committees realize state management tasks in the locality and ensure a unified management of the sector from the centre to the locality.” (Clause 53 LPC, as cited in Fforde, 2003, p. 12).

As noted by Fforde (2003), “the current legal authority structure contains both vertical and horizontal dimensions” (p. 12). The first vertical dimension concerns the legislative bodies of the state apparatus. According to the Constitution (art. 84), PCnls are under the supervision and guidance of the NA. Furthermore, PCnls can be dissolved by the next immediate higher PCnl (RCP, art. 62).

The second dimension concerns the vertical relation between the executive bodies of the state (Fforde, 2003, p. 12). According to the Constitution (art. 114), the Prime Minister has the power to approve the election and he can release from duty the heads of provincial PCs. The same type of power is endorsed by PC chairmen at provincial and district level, who are entitled to remove lower level PC heads. Local Governments are thus “under the supervision of the PC at the higher level” (Fforde, 2003, p. 12).

In addition to the two vertical lines, the dual subordination principle is characterized by a horizontal authority relation. The Constitution stipulates (art. 122) that the local Governments operate under the supervision of the corresponding PCnl. As such, the PCnls can suspend resolutions and decisions of lower level PCs that contradict the law. Furthermore, the PCnls have also the power to elect and remove all PC members, Chairman and Vice Chairman included.

According to this principle, local civil servants are staff working in functional offices, and are expected to report both vertically to the relevant line minister and horizontally to the PC. The same also applies to local PCs, which have to report vertically to the next highest Government level and, at least on paper, horizontally to corresponding PCnls (Fforde, 2003).

There is a general agreement among specialists (see, for instance, Fforde, 2003, Fritzen, 2002, 2006; Kerkvliet, 2004; Trang, 2004; WB, 2005) that the dual subordination system, instead of strengthening horizontal and vertical accountability relations, actually has the opposite effect. As pointed out by Fritzen (2006), this has resulted in “muddying accountability relationships, making technical executives more likely to remain generally unsupervised and successful in seeking rents” (p. 7).

3.2.5 Central - local relationship: a conflicting relation

The forms and content of central-local relationship in Vietnam reveal specific features of its governance model. Fritzen (2006) points out that, given that the country “is a unitary state, local Governments do not have constitutionally mandated resources, responsibilities and legal status, but exist as deconcentrated agents of the central Government” (p. 6). In such context, stresses the scholar, central-local relationships are “dynamic and conflict ridden”. Therefore, “local Governments have considerable space in which to pursue particularistic interests” (ibid).

While at reunification Vietnam was highly decentralized (there were seventy provinces), as part of “a legacy of an administrative system focused on military zones” (Shanks et al., 2004, p. 20), from 1976 onward the Party started to centralize power at the central level: this reflected, as noted by the scholars, the effort to centralize the authority and to centralize the implementation of a planned socialist economy. In such effort to centralize power, acknowledges Abuza (2002), the number of provinces was sharply reduced to fewer than forty: the “Party hoped that a smaller number of larger units would be easier for the center to control” (p. 130).

However, within the space of a few years, the concentration of power at the central level brought devastating consequences: as noted by Abuza (2002), it is generally accepted that the near collapse of the economy that followed reunification may be explained also by “over centralization, too much bureaucracy and not enough concern for regional variation and circumstance” (ibid).

By the 8th Party Congress in 1986, adds the scholar, the new central political leadership with the objective to reform the central planning model started a process of decentralization by informally supporting leaders at provincial level that operated “outside the central CPV apparatus” (Abuza, 2002, p. 130). The idea, as stressed by the scholar, was to shortcut central bureaucratic state and Party resistance and initiate a process of power devolution toward the regions.

This was followed by the effort “to replace central leadership with more reformist officials from the provinces” and via the divesting “of some central authority to the local authority” (Abuza, 2002, p. 130). Such decentralization process was then suddenly accelerated by economic reforms in the early 1990s, when the economic power of provinces and local authorities increased dramatically to a point that alarmed both conservative and reformist political leaders (ibid). Some provinces “became so economically successful that they were resisting paying taxes to the center” (ibid).

While Hanoi reacted to this trend by splitting the most powerful and populated

provinces (their number increased from 40 in 1990 to 64 in 2005) with the objective to downsize them so as to make them “less individually powerful” (Shanks et al., 2004, p. 20), on the other hand, growing provincial power was also reflected in their representation and political weight in Party institutions (Abuza, 2002, p. 141). For instance, in 1982, the 5th Party Congress was made up of only 15.6% of provincial officials; currently 41% of Central Committee members are provincial leaders (p. 142). Furthermore, in 1996, for the first time, provincial Party leaders were also elected onto the Politburo (ibid).

As stressed by Abuza (2002), since Doi Moi, there has been a clear trend toward a shift away from center level power to provincial leaders. Nevertheless, note Shanks et al., (2004) referring to Hung (1999), “discerning contemporary trends in the balance of power between centre and Provinces (...) is however difficult, as specific policy reforms may pull in different directions from economic change, and from each other” (p. 20).

In sum, as explained by Fforde (2003), current central level formal authority relations are regulated by two types of mechanism: on one hand, the formal organization of the political and administrative system, where, according to the principle of the unitary state, power balance is favorable to central level. On the other hand, such relationship is also affected by policies and programs dealing with different economic and political units within the ministries, where the center of command for the allocation of important resources takes place at provincial level. It is in such structural framework that central-local relationships take place and antagonist forces come into play.

3.2.6 Consensus governance and policy making in Vietnam

Those scholars who have investigated policy making and decision-making processes at central level in Vietnam (Shanks et al., 2004; McCarty, 2001a; CGD, 2008) have highlighted the fact that since the 6th Party Congress in 1986, “consensus building” (CGD, 2008, p. 28) has been adopted as the “main decision-making mechanism”. The reform process, notes the Commission on Growth and Development, can be seen as a

cooperative way of processing change, in which key participants go to great lengths to avoid defeating others, even if that entails costly compromises. The willingness not to create losers is obvious at the economic level, and it can also be found at the political and ideological levels (CGD, 2008, p. 28).

As observed by Donge et al., (1999),

the policy making process in Vietnam is diffuse and does not follow the formal structures that a political scientist may map out. The system is one of consultation and consensus, with many different bodies being involved in a single decision – not just ministries but also agencies (...) and the multitude of think-tanks (Donge et al., 1999, as cited in McCarty, 2001c, p. 26).

Shanks et al., (2004), referring to the work of McCarty (2000), note that

decisions are made via “complex processes of vertical and horizontal consensus building” (p. 31). These are the result of the “inter-play between vertical line of authority and strong horizontal mechanisms of policy guidance, instruction and accountability that exist between the Party, the legislature (...), the state management bodies (...), and the Executive (...) at all levels” (Shanks et al., 2004, p. 31).

In conclusion, Abuza (2002) notes that such policy environment tends to favor politics behind the scene, where more influential stakeholders succeed in maneuvering political decisions via informal channels and political alliances.

3.2.7 Power sharing and politics behind the scene: the example of the CPV internal accountability system

In order to get the flavor of how politics takes place in Vietnam, a good example is the way accountability mechanisms operate within the CPV.

Authority relationships and accountability mechanisms within the CPV are quite an obscure matter for external observers. While upward accountability is officially the basic principle of the Party (“people know, people discuss, people do, and people inspect”, Abuza, 2001, p. 102), historically speaking, the political structure of the CPV has always been top-down, observes Koh (2004b), and especially until the late 1980s political power was concentrated in the hands of a few leaders with significant discretionary authority over the state.

The fence breaking experience reveals, however, the emergence of emergent pluralistic tendencies that still occurred under “an umbrella of authoritarianism” (Koh, 2001a, p. 534). Party leaders, explains Koh (2001a), turned out to be relatively attentive to what was happening in the country and also tolerated behaviors outside the accepted norms, with such behaviors often springing from local upward forces.

With the reform of the late 1980s, a gradual transformation of the Party has occurred, toward a more consensual, open, and transparent *modus operandi* (Koh, 2004b). Although the political scene is still monopolized by the Party, the horizontal and vertical consensus building processes occur in a more transparent way and within a framework of relatively increased demand for accountability vis-à-vis Party cadres and top members (Abuza, 2001; Koh, 2004b; CGD, 2008).

With the 6th Congress of the Party in 1986 came a shift in Party “leadership from individual to collective” (CGD, 2008, p. 20) and “centralized decision making was thus replaced by strong leadership, but without individual leaders” (*ibid*). As noted by Koh (2001b), with the Congress the Party started to concentrate on the “reliance on institutions rather than on personalities for leadership and arbitration over power and authority” (p. 53).

Furthermore, notes Thayer (2001), accumulation of multiple positions was formally not allowed and so retirement rules were enforced. It was officially during the 6th Plenum of the Central Committee meeting in 1999 that members recognized the urgency to address “fundamental and urgent issues concerning Party building”, i.e., how “to counter the degradation in the Party’s ranks caused by corruption, excessive bureaucracy, individualism and internal disunity” (p.

10). While no concrete decisions were taken, the Committee “resolved to launch a three-year criticism and self-criticism campaign” with the objective “to rid the Party of its degenerate members and restore unity” (Thayer, 2001, p. 11).

According to many observers, a turning point in Party internal politics occurred in 2001 when at the 12th Plenum the Central Committee voted to overturn the decision of the Political Bureau to reconfirm Party General Secretary Mr. Phieu, and succeeded in unseating him (Abuza, 2002, p. 129).

More recently, new changes have also been adopted with a view to “greater accountability of office holders at the top echelons of the Party” (Koh, 2004b, p. 53). Among the most important recent reforms adopted by the Party, in 2001 the Central Committee was given formal authority to “scrutinize and pass written by-laws for the Politburo, bringing concrete meaning to the often repeated point that the Political Bureau is accountable to the Central Committee” (Koh, 2004b, p. 54).

Another example of new internal by-rules was the decision, also in 2001, of the Central Committee Plenum to establish a “Member’s Responsibility System” (Koh, 2004b, p. 53). According to this mechanism, each Committee member is now in “charge of the supervision of one area of work (for instance, trade)”. Each member has been formally invested with the responsibility of “making sure that Party decisions are correctly implemented as policy by the state apparatus” (ibid). In addition, members are expected to “be accountable for corruption and other ills that occur in their area of responsibility” (ibid).

As stressed by Koh (2004b), while such rules may have existed in the past, the novelty of the institutionalization of the “dos and don’ts of leadership” (p. 54) marks, at least theoretically, an important point in terms of formalization of leadership power. According to the scholar, the new formalization of Party internal rules needs to be understood as a way to “construct an institutional basis to support the power of the leaders, which should confer on them more authority and thus make them less challengeable” (ibid). The goal is to enhance Party internal accountability mechanisms so as to exert hierarchical control and avoid the Party having to “put its foot down,” which would ultimately “increase the amount of stress on the political system”. The scholar adds that “setting out rights and responsibilities clearly on paper reduces the scope for arguments and arbitrariness, strengthens discipline, and makes affairs more accurately reflect the will of the top leaders” (ibid).

3.2.8 Power sharing and politics behind the scene: the example of the election of CPV members in Party institutions

A second example that illustrates how politics occurs in Vietnam is the process of selection and election of CPV members.

According to socialist principles, the state and the Party represent the people’s mastery and, as such, the political discourse is based on the argument that the selection of Party candidates is the expression of the will of the masses (Jorgensen, 2005).

However, it has been observed (Koh, 2001a) that in practice CPV members represented in the Party institutions are not elected as such. Although for the

first time, in 2006, the 1178 members of the Congress had the right to select the new 160 representatives the Central Committee by secret ballot (Will, 2006), Koh (2001a) notes that “by the time the Congress opens, (...) the name lists of the Central Committee and the Politburo would have been more or less fixed” (p. 537).

The process of selecting members is in fact mainly top-down, where members of the Politburo try to exert their influence all the way down the entire chain of the Party (Koh, 2001a). Nevertheless, notes the scholar, “this top-down process is usually distorted by competition among groups” (p. 537): seat distribution in the Party institutions seems to respond to several forms of logic.

According to Koh (2001a), four main interpretations can be put forward to try to understand the composition of Party institutions and how seats are distributed: firstly, power distribution can be explained by the long term practice of the “great solidarity” (p. 538), according to which Central Committee members shall be selected based on a quota system so that any sector of society has its own interests represented (e.g., mass organizations, workers, farmers, the military, trade unions, bureaucrats, etc.).

A second explanation could lead one to think that seat distribution reflects the competition between CPV internal political factions, i.e., “reformers, conservatives and balancers” (Koh, 2001a, p. 537). Third, the distribution may also reflect economic interests and power balance (i.e., ministries, provincial authorities, SOEs, the military, etc.). Finally, the last interpretation advanced is that candidates compete “according to their regional origins, broadly falling into southern, central, and northern camps”.

Since Doi Moi (1986), this mechanism had been adopted to distribute the top most important functions in Vietnam, i.e., State President, Party General Secretary, and Prime Minister (Koh, 2001a, p. 539), but it was abandoned in 2006 with the appointment of two men from the south (the State President and the newly elected Prime Minister).

As stressed by Koh (2001b), while it is not clear which explanation better captures the rationale for the selection of Party leaders, “what is certain is that once every five years, members of the Politburo have to face a complex distribution matrix comprising the elements above to decide among themselves who will occupy seats in the two highest tiers of political power in Vietnam” (p. 539).

4. Conclusion: the Vietnamese institutional environment within which OSS is implemented

In the light of what has been presented, it can be summarized that Vietnam is a one-party system where the institutional architecture concentrates power in the hands of the Party and the Executive, although the role of the Legislative (at least at central level) has moderately increased over the years.

While, in the last year, efforts have been made to implement a state that is “ruled by law” (Fritzen, 2006, p. 7), the country still features an authoritarian (Trang, 2004) and paternalistic governance model (Xiangming, 2005). The political culture, based on the analogy of the family, with the Party being the parents and

the citizens the children, clearly illustrates such situation (Jorgensen, 2005).

The superposition of functions between Party cadres and state officials, and the quasi symbiotic relations between the state institutions and the Party, creates a situation where “distinguishing the political party from the state is almost meaningless” (Koh, 2001b, p. 300). Koh (2001b) has defined such governance model as a “Party-state” system.

The Executive, “fragmented (...) in a multitude of bureaucratic settings, has become relatively autonomous, capable of projecting particularistic interests and actively resisting encroachment and regulation” (Fritzen, 2006, p. 6). The double accountability system tends to create blurred accountability relations, making “executives more likely to remain unsupervised and successful in seeking rents” (p. 7). Conflict is what characterizes central-local relationships, where local executives are likely to succeed in serving particularistic interests (ibid).

On the other hand, policy making is mainly consensual, and reflects the objective to “avoid defeating others” (CGD, 2008, p. 28); decisions are taken after a long process of horizontal and vertical consultation and once made, it is expected that all state organizations, Party members and institutions follow the instructions. Policy making largely tends to favor politics behind the scenes (Abuza, 2002).

Finally, while things are slowly changing, the political structure of the CPV is mainly top-down (Abuza, 2001) although upward accountability is officially the basic principle of the Party (“people know, people discuss, people do, and people inspect”, Abuza, 2001, p. 102). As for Party elections, in principle the state and the Party represent the people’s mastery and the selection of Party candidates is the expression of the will of the people. In practice, it can be safely advanced that top Party institutions (Central Committee and the Politburo) fix such nominations upfront.

PART VI: ANSWERS TO THE FOUR RESEARCH QUESTIONS

This next part deals with the four research questions. They are:

1. Why have public administration reforms, and more particularly the OSS program, been adopted in Vietnam? What is the political rationale of the reforms (i.e., policy rationale)?
2. What is the strategy adopted by the political leaders in order to reform the public administration in Vietnam (i.e., policy choice)?
3. Why does the OSS program perform as it does? How can its outcomes on the ground be explained (i.e., policy outcomes)?
4. What are the political consequences (policy impacts) for the political initiators of such outcomes (policy impacts on the Vietnamese political regime)?

Each question is preceded by a recall of the analytical approach used to answer to it.

1. Research question n. 1 – policy rationale: what is the rationale behind the adoption of PAR and OSS in Vietnam?

The objective of this question is to identify the political rationale of the OSS program by casting light on the political reasons why public administration services related issues have been considered by political leaders as a matter of policy response. The corollary questions for Vietnam are: what is the political objective of the OSS program? Who initiated it? What are the expected results of such program?

1.1 Recall of the analytical framework: approach used to identify OSS political rationale

As previously mentioned in the section related to the general analytical framework, the institutionalist political approach informs us that power holders attempt to shape and craft political institutions according to their political interests so as to protect their power and maintain the political status quo and stability (Jayasuriya & Rodan, 2007; Moe, 2005; Scharpf, 1997).

Through the exercise of political power, dominant elites operate in a way so as to shape state institutions and thereby define “the engagement or contestation by individuals and groups over who gets what, when and how” (Jayasuriya & Rodan, 2007, p. 775).

When the resources of power of political elites are affected (e.g., loss of legitimacy), the fit between the new societal power balance and the political institutions comes under tension. Change agents that can modify societal power balance can be exogenous – i.e., physical conditions, changes in the markets, technical innovations, new regulations and institutions, social, political, and economic systems changes, and endogenous – i.e., stakeholders’ learning processes, new resource distribution, legitimacy, etc. (Florensa, 2002; Grindle &

Thomas, 1991).

Ruling elites may have two types of perception of the situation at hand: perceive it as a crisis (“crisis situation”) or as “politics as usual” (Grindle & Thomas, 1991, p. 14). The crisis situation is characterized by high stakes for power holders and citizens being at play; when a sense of urgency to take action is perceived and when pressure to succeed is strong. An example of a crisis situation could be anything that endangers the legitimacy of the political elites. In contrast, if reform is perceived as “politics as usual”, this is because stakes are low and the issue at hand does not represent any immediate challenge to the elites.

Institution building and, as such, public administration reforms, respond to the need to systematically adjust state institutions to the evolving environment that unleashes pressures perceived by power holders as challenging their political power (Florensa, 2002; Grindle & Thomas, 1991).

In order to understand what the rationale is behind those reforms meant to redesign (or adjust) state institutions, the analysis of the policy agenda setting circumstances is highly informative since it reveals *why* political elites perceive the situation as being a challenge to their power structure and more precisely, *what* in their eyes is perceived as a source of political instability.

1.2 What is the rationale behind the adoption of PAR and the OSS program in Vietnam?

PAR political strategy, and more precisely OSS initiatives in Vietnam need to be considered in a broader picture, that is, why and how institutional changes have been adopted, designed, and managed in the last few decades.

Furthermore, it also needs to be considered as a product that reflects the characteristics of the modern Vietnamese political system.

Leading literature dealing with PAR in Vietnam provides several interpretations behind the rationale to implement the same. For instance, donors such as the WB (2009) and the ADB (2005b) suggest that the trigger for PAR has been the need to reform public institutions in order to catch up with, and further enhance, economic and social reforms. In the eyes of the donor, non-performing public institutions are considered a restraint to economic growth and social equity. Thus, PAR is viewed as an attempt to put into place the appropriate institutional fundamentals necessary for a market economy (WB, 2009).

Painter (2003a) sees PAR as “an ambitious programme that seeks to implement *rule by law* within a centralized, state management framework” (p. 259). According to the author, the aim of these reforms can be “captured by standard depictions of the modern, legal rational Weberian bureaucracy” (p. 261) in order to implement rational state structures.

McCarty (2001c, p. 6) asserts that “the fundamental institutional changes in Vietnam and in the role of the state and its bureaucracy” have to be viewed as a need “to develop, almost from nothing, legal and taxation systems, as well as many other institutions of market economies”.

Vasavakul (2002) examines PAR in a political perspective and suggests that reforms “evolved in the context of the redefinition of the CPV leadership role” (p.

7). He interprets reforms “as a reaction by the Vietnamese Communist Party to the increasing fragmentation of the state bureaucracy” (p. 8) that has occurred in the last 20 years as a result of the “transition from central planning to a market economy” (Vasavakul, 2002, p. 41). More precisely, Vasavakul notes that reforms have been

a major event to attack the vested interest of a group of Party members and state officials who had developed entrenched interests in the decentralized economic system, while strengthening the grip of central Government through the recentralization of the state apparatus (Vasavakul, 1996, pp. 63-64).

Furthermore, the scholar adds that “the reform measures have served to neutralize or dismantle many of the features of the new politics that developed in the 1980s (...). They have undermined existing power blocs and networks within the state apparatus and between state and non-state sectors” (p. 64)

1.3 Public administration reform rationale in a political perspective

As explained by Vasavakul (1996, 2002), under the central planning model, political and administrative control was focused, generally speaking, upon the CPV: the CPV and Party members aimed at controlling the main resources and decision-making bodies, and the Party played a crucial “role at all levels of the Government apparatus: the higher echelons of Government were Party members, particularly at ministerial level. The Party also oversaw the Government agencies through its specialized Party Committees” (Vasavakul, 2002, p. 7).

As previously discussed, this period has been qualified by Phong & Beresford (1998) as the state *participation* phase, where the administration operated under the formal control of the Party and the governance setting was officially characterized by a “single node of power” (McCarty, 2001c, p. 7), with no formal division of functions and authorities between the Executive, the Legislative and the Judiciary.

Dixon (2004, p. 18), referring to several studies (see, for instance, Forsyth, 1997; Mol & Frijns, 1997), points out that “despite the severe problems of the pre-reform period, in many respects the Party-state bureaucracy was effective in policy formulation and implementation”. The overall structure was relatively coherent and uniform, where formal power was infused from top to bottom, and opposition and contestation was “behind the scenes or even clandestine” (p. 19), and where the dual accountability system was an important structuring element of the state apparatus.

With economic reform, a “new economic order (...) emerged in the 1980s” (Vasavakul, 1996, pp. 46) in which “state cadres and the middle level of Government - rather than state planners at the top - gradually became the agents for mobilizing and allocating resources” (ibid). As pointed out by Vasavakul,

the demise of the central planning system and the rise of a

new market-based economy order gave rise to a new pattern in Vietnamese politics. With diminishing resources coming from the centre and with the relaxation of some aspects of administrative control over production activities, the existing vertical administrative and economic ties disintegrated. Politics (...) was characterized by high local autonomy devolving on middle-level cadres, the expansion of horizontal connections, and the bypassing of existing rules and regulations imposed by the Government (Vasavakul, 1996, pp. 46-47).

According to Dixon (2004, p. 18), “economic reform and related changes created an institutional vacuum in which local administrations and subsections of the central system were able to expand” and allow state cadres to use their administrative positions to mobilize and reallocate incoming resources.

In such context, the coalition between local interests and technocrats became increasingly influential and local administrations started to play a major role as the interface between society and the Party-state (Dixon, 2004). Moreover, economic opportunities boosted the power of local cadres via the reforms of production activities, industries, and SOEs, as indicated by the fact that “in 1999, 43.9% of state industrial capacity was locally controlled” (General Statistical Office, 2002, as referred to in Dixon, 2004, p. 18).

Vasavakul (1996, p. 47) adds that “the increasing economic and political power of middle range cadres undercut the hierarchical authority structure developed during the socialist period”. As a result of reform, the Vietnamese state had become much less unified, more multi-faceted, multi-segmented, and multi-layered, featuring local power structures and strong functional inconsistencies (Koh, 2001b). This new organized hierarchy was often characterized using such terms as “departmentalism, mandarinism or bossism” (Vasavakul, 1996, p. 47).

Such institutional fragmentation enabled an environment of state inefficiency, ineffectiveness, mismanagement, and red tape, where corruption flourished (see, for instance, Abuza, 2002, Fritzen, 2003, 2006; Kerkvliet, 2004). As pointed out by Dixon (2004, p. 19), referring to Koh (2001), “in many cases, administrators and functionaries supplemented their official income with a second - and frequently larger - unofficial one. (...) Activities ranged from consultancy for foreign firms, on how to deal with the system, through setting up businesses and channeling work to them, to accepting bribes”.

Statistics collected by the Office of State Inspection between 1992 and 1994 indicate that 40% of citizens' letters of criticism concerned commune and district cadres (Vasavakul, 1996, p. 52). A more recent study commissioned by the Central Committee of the Party pointed out that 60% of people canvassed admitted that “they paid bribes for public services at some point, and 30% admitted that they would be willing to accept bribes” (Will, 2006, p. 3).

As noted by Kerkvliet (2004, p. 16), “abusive and corrupt local authorities have a long history in Vietnam”. According to the scholar, “they have contributed significantly to widespread discontent among the Vietnamese population and generate political turmoil”. Furthermore, adds the author, “reckless officials helped to fuel opposition to French colonial rule and support for the revolutionary

movement for national independence” (ibid). Already in 1992, at the 5th Plenum of the Central Committee, the Party declared that “democracy and social justice in rural areas have been ignored” and that “bureaucratism, authoritarianism, and corruption in the state apparatus are still prevalent” (5th Plenum of the Central Committee, as cited in Abuza, 2001, p. 85).

The most pronounced popular demonstrations occurred in 1997 in the Thai Binh Province peasants’ protests, and in 2001 in the Central Highlands over land issues. Both demonstrations were motivated, as pointed out by Conway, referring to Human Right Watch (2002), by

anger at local corruption, exacerbated (...) by local ethnic tensions between non-Kinh (often evangelical Christian) minority groups and Kinh (many of them migrants), who were seen to be exploiting or displacing non-Kinh, often in collusion with corrupt local officials (Conway, 2004, p. 25).

Such popular discontent vis-à-vis local cadres and Party members in the 1990s profoundly eroded the legitimacy of the CPV and its popular support.

However, Party legitimacy was also challenged by another fact: the poor economic performance of Vietnam in the late 1990s. While CPV legitimacy has changed over time and has varied in different parts of the country, it is accepted, as stressed by Shanks et al., (2004), referring to Kerkvliet et al., (1998), that its legitimacy has been traditionally based on a mix of “nationalist tradition, and (...) an ideological commitment to the welfare of the masses, manifested in practical terms as a broad-based growth policy and the provision of basic social services” (p. 21).

In addition, “the legitimacy of the State and the leading role of the Party in Vietnam has been sustained by the degree to which it has resonated with aspects of pre-revolutionary Confucian influenced political traditions” (Shank et al., 2004, p. 21). If, before 1975, “the ideology of nationalism was used by the CPV to legitimize its struggle for unification, [w]ith reunification, the legitimacy of the regime therefore came to rely increasingly upon perceptions of its performance in terms of national development” (ibid).

Although CPV “legitimacy cannot entirely be insulated from international currents” (Shank et al., 2004, p. 22), Abuza (2002, p. 127) points out that in the last two decades people have started “to link the regime legitimacy to economic performance and, importantly, their own standard of living”. Shanks et al, (2004), mentioning Abuza (2002), note that with young generations that have “no experience of the struggle for reunification or the contribution to that effort made by an increasingly elderly senior leadership, issues of policy outcomes are more important than war record” (p. 22). The fall in foreign direct investment due to the South Asian economic crisis in 1997 and the GDP contraction that followed profoundly threatened the regime’s “performance legitimacy” (Thayer, 1998, as cited in Shanks et al., p. 23).

In sum, if the dramatic economic crisis that followed reunification represented the first major legitimacy crisis for the CPV regime, in the 1990s the combination of a lack of economic performance coupled with an abusive state apparatus brought about the second major threat to popular support for the communist

regime.

The seriousness of such profound legitimacy crisis for the CPV can be captured in certain official declarations. For instance, General Secretary Le Kha Phieu stated in 1998: “during the war, our Government was always close to the people; now we have to admit that that sacred relation has been dented” (Reuters, 1998, as cited in Abuza, 2001, p. 85). Likewise, former General Secretary Do Muoi also declared in the same year that social turbulence had to be attributed to “officials involved in corruption, red tape, a lack of democracy, law violations and intruding on people legitimate interests” (Vietnam News, 1998, as cited in Abuza, 2001, p. 84). In the same vein, President Tran Duc Luong in early 1998 also declared that “the CPV had lost its leadership role” and that rural disorders “exposed shortcomings in the political system under the leadership of the Party” (Reuters, 1998, as cited in Abuza, 2001, p. 85).

It is against such background that PAR and relevant state reform regulations have been adopted. After the Thai Binh peasants’ protests, for instance, the Party initiated the political reform that led to the implementation of the Grassroots Democracy Decree in 1998. Local unrest in the central highlands in 2001 led to an in-depth revision of the Land Law (2003). Since 1997, other important legal material has been promulgated, such as the Law on citizens’ denunciation and complaints (1998); the Decision on legal and financial transparency for local infrastructure projects (1998); the Party policy requiring asset declarations by elected officials (2003); the Law on the election of deputies to PCNs (2003), meant to give people a greater voice and make local decision making more accountable; and the Law against corruption (2005), etc.

All this new legal material responds to the need to increase accountability and to reduce the number of protests and public complaints, with the final objective being to ensure political stability and maintain Party political monopoly.

2. Research question n. 2 – policy choice: what is the strategy adopted to reform the Public Administration in Vietnam

The second question deals with the strategy chosen by the CPV to design PAR and more precisely the OSS policy choice (i.e., what is the policy content of OSS? Why has it been designed as such?).

2.1 Recall of the analytical framework: approach used to identify PAR and OSS policy choice

Institutionalists inform us that policy choice (i.e., policy content and policy design) is illustrative of how political elites interpret and attempt to manage institutional constraints and opportunities in a way that best serves their interests.

As stated by Winter (2006, p. 156), referring to Moe (1989), it is important to understand that policy choice is “first of all a political process, in which actors - both policy proponents and opponents – try to maximize their interests (...)”. Policy initiators, explains the scholar, act in a way so as to maximize their interests by designing policy instruments that allow them to generate policy outcomes according to their wishes, and to ensure control over the implementation process.

Furthermore, policy choice reveals the political strategy adopted by power holders to maintain political stability while managing the tension between societal power balance and political institutions. In other words, the analysis of the way in which power holders intend to redefine the institutions that frame “the engagement or contestation by individuals and groups over who gets what, when and how” (Jayasuriya & Rodan, 2007, p. 775), is expected to reveal their attitude to managing and containing state-society political conflicts, and secondly, the nature of such conflicts.

2.2 Public administration reforms in Vietnam in a political perspective: policy choice

2.2.1 Locally driven policy making

While authors have identified several elements that have triggered institutional change in the country (e.g., international pressure, local think tanks, etc.), there is general recognition that changes initiated at local level, as experiments on the ground, have played a critical role in shaping modern public institutions in Vietnam (CGD, 2008; Fritzen, 2003; WB, 2004a). Local development has been critical in Vietnam institution building, as demonstrated, for example, by the fence breaking experiments. Historical accounts have shown that if their outcomes were judged positively, then such local experiments received official political support and were then ready to be scaled up nationwide (CGD, 2008).

Under state socialism, such local developments had to be carefully managed by the local leaders who initiated them (see, for instance, the accounts of the GCD on the fence breaking initiatives in agricultural production in Hai Phong); in order

not to be considered subversive and anti-revolutionary, such leaders interested in launching innovative local reforms “had to be politically bullet proof” (CGD, 2008, p. 15), for instance, thanks to their “track record during the wars” or their political integrity and fidelity to the Party (ibid).

Since Doi Moi, local experiments have been increasingly evaluated not by their ideological value, but by their contribution to the socio-economic development of the country and ultimately, by their contribution to the legitimacy of the Party (CGD, 2008).

The OSS program also follows this logic; first initiated in Ho Chi Minh City in 1991, the project attracted the interest of national Party leaders in the late 1990s. Having accepted the implementation of different mechanisms of PA services delivery across the country during the 1990s - in some cases autonomously initiated by local authorities, in others with the technical and financial support of bilateral and multilateral donors - the Government asked for a general assessment of the experience and the identification of a delivery mechanism capable of being replicated across the country (SDC, 2004, 2005; MoHA & MoF, 2005). This exercise led to the issuing of PMD 181 in 2003 and the requirement to replicate the OSS mechanism all over the country (ibid).

2.2.2 Complex, consensus building policy making process

The second characteristic of PAR is that, as any institutional reform, it is the product of the “consensus governance” Vietnamese culture, where “power is to be shared as widely as possible” (McCarty, 2001c, p. 25). As pointed out by Donge et al., (1999),

The policy making process in Vietnam is diffuse and does not follow the formal structures that a political scientist may map out. The system is one of consultation and consensus, with many different bodies being involved in a single decision – not just ministries but also agencies, such as the Women’s Union, and the multitude of think-tanks (overlying which is the Government/Party divide and the relationship between the two) (Donge et al., 1999, p.vi, as cited in McCarty, 2001c, p. 26).

Those scholars who have investigated policy making and decision-making processes (see, for instance, Shanks et al., 2004; McCarty, 2001a; CGD; 2008) highlight that key decisions are taken in the interest of the Party and “not against it” (CGD, 2008, p. 28). Decisions carefully reflect the interest of multiple stakeholders, directly or indirectly under the control of the Party, and that have access to decision making. While according to some authors this implies the adoption of “watered down” policy measures (CGD, 2008, p. 29) since they do not go “to the root of the problems being addressed” (ibid), this nevertheless is meant to ensure maximum formal support in the implementation phase.

PMD181 reflects this logic, which partly explains also its content: it is sufficiently imprecise and ambiguous, on one hand “to preserve the appearance of unity” (Fritzen, 2006, p. 6), while, on the other, to leave important discretionary implementation power to local level authorities, and secondly, does not impose any new additional oversight and enforcement mechanism to constrain local

officials to operate according to the Decision, that is, in a fair, transparent, and responsive way vis-à-vis the public. Such aspect will be developed in further detail in the next section.

2.2.3 Reactive policy making

The third characteristic of institution building in present-day Vietnam is that its agenda setting takes place in a “crisis situation”, where the political leaders are pressed to react to potentially destabilizing political situations and, as a result, adopt initiatives meant to manage such situations. If one takes a closer look at the sequencing of governance reforms, it appears quite clear that central level initiatives in most cases follow events that fundamentally have put Party legitimacy at risk.

The social unrest in Thai Binh is a good example. It was after the peasants’ protests in that province and extensive media coverage of the event that the Party initiated the reform that led to the adoption of the Grassroots Democracy Decree in 1998. Local unrest in the central highlands in 2001 was also followed by an in-depth revision of the Land Law (2003), which aims at granting greater downward accountability. The Party also initiated, in 2004, a national level consultation for the introduction of a Law against corruption, and this, after repeated nationwide scandals and reports on corrupt officials and Party members. The draft was re-written five times and the final version adopted by the NA in 2005.

2.3 How the regime conceives institutional reforms and public administration reforms

Central to the purpose of this research is the fact that, in a more political perspective, institutional reforms in modern Vietnam have been designed to reassure the political control and authority relationships of the Party over political and administrative units (Vasavakul, 1996) in a way so as not to “fundamentally affect power relations between the political leadership and citizens” (Rodan & Jayasuriya, 2007, p. 796).

As stressed by Fritzen (2002), the constitutional framework emphasizes “the paramount need to maintain state control” (p. 9) over society. As a result of the one-party system, the institution building strategy adopted by the CPV has rested upon the rationale of reaffirming CPV political authority against the need to carefully manage destabilizing forces (e.g., potential social unrest due to a rise in social inequality, citizen dissatisfaction of local authority responsiveness and behaviors, endemic corruption of local officials and cadres, etc.).

Concretely speaking, this has been done primarily via the implementation of supply-side reforms that are meant to strengthen upward accountability mechanisms (i.e., the strengthening of vertical authority relations within state institutions). Via the intent to build up institutions based on the principle of a “state ruled by laws” (Fritzen, 2006, p. 7), the intention has been to “clarify the role of the CPV” (ibid) vis-à-vis state institutions.

In combination with such supply-side reforms, some efforts have also been made on the demand-side, albeit to a lesser extent, where the objective has been to

increase people's awareness of their rights and obligations with regard to the authorities' decisions and affairs, their inclusion in some decision-making processes, and their supervisory function in a way that forces local authorities to be more transparent, responsive, and honest (see, for instance, the Grassroots Democracy Decree, Program 135, etc.).

It is important to stress that both supply-side and demand-side reforms are meant to restrict the discretionary power of bureaucrats and local cadres, and this should be interpreted in a perspective of political participation (Jayasuriya & Rodan, 2007). The new political spaces opened up by these reforms provide, in fact, "avenues for questioning and potentially influencing the exercise of state power that institutionalize[s]" citizens' inclusion or exclusion in the political process (p. 787).

How a particular political regime decides to adopt one specific reform instead of another, is symptomatic of how it intends to shape the institutions that structure "the engagement or contestation of individuals and groups" (Jayasuriya & Rodan, 2007, p. 775).

As for Vietnam, the chosen strategy has been qualified as an "administrative mode of political participation" (Rodan & Jayasuriya, 2007, p. 796). As pointed out by the scholars, "access to public administrative institutions and policy processes [has been] promoted by the powerful political elites [i.e., the Party] as avenues for the technocratic management and resolution of political conflict". For instance, add the scholars, policy decisions are now increasingly scrutinized; they also have to "be accompanied by rational explanations and are informed by a much more extensive appreciation of public opinion". However, this "does not entail a greater capacity for disciplining political elites" (ibid). In fact, "accountability involves a relationship between citizens and [bureaucrats]", but does "not fundamentally affect power relations between" the citizens and the Party (ibid).

The administrative mode of political participation implies that the way political contestation and social conflicts are organized and managed are both "subordinated to the effective implementation and refinement of ruling party policies" (Rodan & Jayasuriya, 2007, p. 796) and do not support the mobilization of "independent [political] collective action" (ibid).

Precisely what administrative mode of political participation means in Vietnam is shown, for instance, by the case of the mechanism meant to settle administrative complaints. The importance of such mechanism is illustrated by the fact that it "is one of the essential institutions in the relationship between the state and society" (The Asia Foundation, 2009, p. 2). As such, it provides the opportunity for citizens to discipline state administrators, but it does not entail the capacity to control political actors.

Secondly, it has been designed in order not to "recognize collective complaints, while ensuring the individual right to complain" (The Asia Foundation, 2009, p. 12). This is a clear attempt, as stress by Jayasuriya and Rodan (2007), to avoid mobilization and independent collective forms of action; the attempt is systematically to prevent any collective expression that could challenge the political *status quo*.

Finally, by channeling political participation into the realm of administrative state affairs, the Party carefully avoids opening up participatory spaces over societal concerns that could trigger destabilizing political forces, such as issues related to social and economic justice, economic inequalities, resources distribution, governance and public institution reforms, privatization, etc. By channeling political expression into preferred matters and modes of participation, the CPV ensures control of “which conflicts are permissible and which are not” (Jayasuriya & Rodan, 2007, p. 774).

In sum, based on the typology developed by Jayasuriya & Rodan (2007), institution building and public administration reforms in Vietnam have been designed with the logic of framing political contestations in such a way as to set the level of inclusion at individual level – individual administrative incorporation, (e.g., customers’ report cards, citizens’ grievance processes, etc.) and where, to a much lesser extent, societal expression, at least on paper, may also be mediated via Party-state sponsored institutions such as mass organizations - societal incorporation - that operate *de jure* and *de facto* under the control of the Party-state.

Furthermore, PAR have not been designed to provide citizens with mechanisms to discipline political authorities via open competitive elections that would have inevitable destabilizing consequences for the one-party system. On the contrary, “the end result is political rule by administrative means. This is a specific form of technocratic politics, which moves political participation from the formal representative domain to the sphere of administrative power and, potentially, control”. (Rodan & Jayasuriya, 2007, p. 798)

This aspect is crucial for the purpose of this research since it points out that PMD181, whose outcomes are expected to create an enabling institutional environment to enhance greater local authority responsiveness, transparency, and accountability, has been designed and implemented in a non-competitive political system where, additionally, the state bureaucracy operates as the administrative implementing arm of the Party (Vasavakul, 1996). Such governance configuration has a direct implication on the endowment of political resources of stakeholders and ultimately on their balance of power.

This is the starting point from which a political analysis of the OSS program in Vietnam needs to be performed and OSS outcomes on the ground interpreted. The outcomes of public administration reforms (e.g., PMD181) that attempt to restrict the discretionary power of bureaucrats while preserving CPV political control need thus to be interpreted keeping in mind that they are implemented in an institutional environment that frames state-society relationships in administrative terms.

3. Research question n. 3 – policy outcomes: why has the OSS program performed as it has? How to explain OSS outcomes on the ground?

The third research questions deals with OSS outcomes on the ground, and the intent is to gain understanding on the reasons that explain such results.

The corollary questions are: how does OSS stakeholders' power balance come into play to explain OSS outcomes on the ground? Which stakeholders influence the program's outcomes? Which stakeholders have sufficient power to alter the reform according to their interests, and why?

3.1 Recall of the analytical framework: approach used to explain OSS outcomes on the ground

As previously presented, the OSS initiative aims at infusing good governance principles in the realm of public administration services delivery (PASD) at local level. The expected outcomes are enhanced transparency, responsiveness, and better accountability of local Government with regard to the reception, processing, and delivery of PS.

The quality of OSS outcomes has been presented in Part IV of this research and it has been measured via the OSS Performance Index (OSSPI), a composite index that measures OSS outcomes in terms of enhanced transparency, responsiveness, and the accountability of commune authorities with regard to PASD.

As discussed, OSS outcomes in the 18 communes visited are relatively deceptive. The OSS performance index scores, in fact, 3.5 out of 10, where 10 would indicate that OSS outcomes are fully in line with PMD 181 provisions.

Additional observations also tend to suggest that:

- There is a large array of practices with regard to how local authorities have implemented the OSS program (e.g., the lack of homogeneity with regard to the public administration services provided at local level and the different level of fees charged to customers, in most cases not in compliance with the instructions of the Ministry of Finance);
- There is a similarity of methods to respond to the OSS program. For instance, it has been noticed that there is a lack of commitment by local authorities to account for their actions vis-à-vis citizens, and the fact that local officials seem to focus on their self-interest instead of paying attention to clients' needs;
- Albeit a divergence of interests may exist on paper between PC Chairmen and functional bureaucrats, their strategic positioning with regard to the OSS program is surprisingly very similar;
- Citizens seems to lack the willingness to engage formally with local officials; there is also a surprisingly low level of conflict between OSS stakeholders, in particular between PCs and citizens (i.e., the poor adoption of the OSS program does not trigger any apparent reaction from people);

- The reporting practices of PC Chairmen suggest that, if reporting is done, they report formally only to upper administrative units. This may signify that no effective constraint is exercised over the PCs to account for their activities and decisions to same level stakeholders;
- The content of the reporting tends to indicate that the information provided by commune authorities to upper level agencies and commune level Party-state actors is not suited to exerting an adequate function of control.

How can such results and observations be explained?

As this research intends to inform, OSS program outcomes on the ground are a function of the commune level relative institutional power balance, assuming that those stakeholders that will lose power by the implementation of the delivery mechanism will try to alter its adoption according to their interests. Depending on their relative power, they will succeed, or otherwise, in influencing outcomes so as to have their interests preserved or imposed on others. Local relative institutional power balance, the explanatory variable, is measured via the relative institutional power that OSS stakeholders possess to influence policy outcomes.

The analytical framework adopted herewith is an adaptation of several analytical approaches used in rational choice institutionalism and in policy implementation. These approaches have been presented in the literature review of this research. What follows is a summary and the analytical framework that I developed based on such inputs. Particularly relevant for the purpose of this thesis are (i) the *reduced-form logic of governance* proposed by Lynn et al., (2000), (ii) the model of policy implementation developed by Fritzen (2003), (iii) the *interactive model of policy implementation* built by Thomas and Grindle (1990), and (iv) the policy outcomes analytical model of Fritz et al., (2009).

According to their model (Lynn et al., 2000, p. 245), the outcomes of a given governance policy are a function of five variables: (i) the first deals with “environment factors (i.e., political structures, level of external authority/monitoring, characteristics of eligible or target population, legal institutions/practice”, etc.); (ii) the second, the “clients characteristics (i.e., clients’ attributes/ characteristics/ behaviors”; (iii) the third, i.e. “treatments” (“primary work / core processes / technology”) (i.e., “organizational mission/objectives, determination of target populations, recruitment or eligibility criteria, program treatment/technology”, etc.); (iv), the fourth variable concerns the “structures” (i.e., “organization type, level of integration/coordination, centralization of control, functional differentiation, administrative rules/incentives, budgetary allocations, contractual arrangements, institutional culture/values” etc.); and finally, the last variable is “managerial roles and actions” (i.e., “leadership practices - characteristics, attitudes and behavior, staff-management relations, communication and decision-making tools and arrangements, professionalism / career concerns, monitoring / control / accountability mechanisms, including performance standards, incentives, and sanctions”, etc.).

Fritzen (2003, p. 6) has also developed a model to explain policy outcomes. According to him, policy outcomes depend on (i) the “policy design”, i.e., “the policy content and the resources available for implementation”; (ii) “the inter-organizational communication and enforcement activities” (i.e., “how the policy is

communicated to lower levels, and within what framework of accountability”, the effectiveness of the accountability mechanisms, the enforcement devices, etc.); and finally, (iii) “the characteristics of the implementing agencies / disposition of implementers”, (...) i.e., incentives structures, extent to which implementing agencies consider that it is in their interest to adopt the policy, etc.).

As mentioned in the previous part of this thesis, all these elements operate in an institutional environment (social, political, and economic factors) and it affects the environment in two different ways (Fritzen, 2003, p. 6): “it structures or influences the formation of the policy in the first place” (i.e., policy choice and policy design), and in turn, it is affected by the policy outcomes and impacts (ibid). This is especially true in the case of good governance reforms since this type of initiative is about reshaping the divide between state and society in a way so as to redefine, institutionally speaking, what is possible, when and how (Jayasuriya & Rodan, 2007). As mentioned by Fritzen, “a program may over time empower a previously marginalized group to have a greater stake in a particular policy, changing the stakeholder alignment in ways that create new support or opposition to a policy” (p. 7).

Thomas and Grindle (1990, pp. 1167-1168) have also identified a set of critical variables meant to explain policy outcomes. According to them, institutional change can be explained by (i) the interests of the political elite toward change, (ii) the power to reform that stakeholders used to compete against each other during the whole policy making process (from agenda setting, to design, adoption, and policy implementation), and finally, (iii) the policy characteristics of the reform at hand.

Finally, and as previously presented, Fritz et al., (2009, p. 42) have also developed an analytical framework meant to assess the sources of power used by stakeholders in order to influence policy outcomes. They divide such sources into three broad categories.

The first is “structural variables” (e.g., “economic base and level of development, (...) nature of interaction with global economy (...), status of poverty and of equity/inequality”, etc.).

The second category is: (i) “institutional variables” that are broken down into formal macro variables (e.g., “Constitution, (...) electoral rules, major laws”, etc.), (ii) formal “detailed institutional” variables (e.g., “rules governing policy and budget processes, organizational institutions, set-up of Government, ministries and their roles and mandates; accountability institutions”, etc.), and (iii) “informal institutional variables” (e.g., “social norms and expectations; nature and strength of patronage networks”) (ibid).

Finally, the third category deals with the characteristics of stakeholders: detailed stakeholders (e.g., “political leaders, leaders in a bureaucracy, heads of SOEs; mid-level bureaucrats” etc.); macro stakeholders (e.g., “political parties, interest groups, business associations, trade unions, religious groups, farmers associations, civil society organizations”, etc.) and “external stakeholders (e.g., other governments, international networks, development partners”, etc.

For the purpose of this research, and based on the work of the abovementioned scholars, I have developed an analytical framework with the objective of having

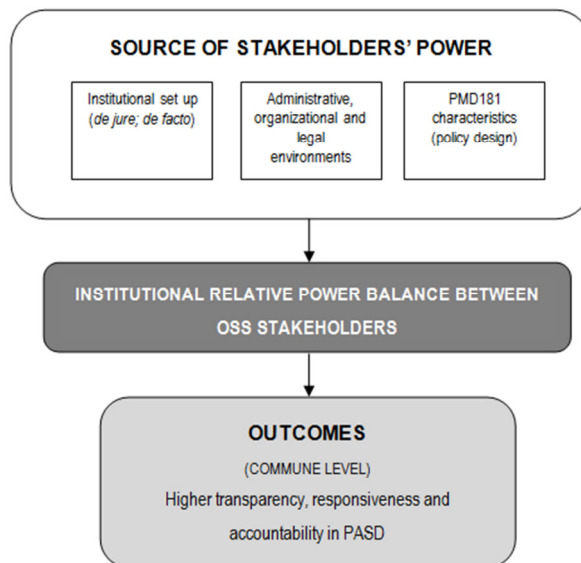
a simple but clear set of explanatory variables capable of explaining the capacity of stakeholders to influence policy outcomes (i.e., OSS outcomes).

OSS outcomes on the ground are determined by the stakeholders' relative institutional power and this can be found in three categories of variables:

- The institutional arrangements *de facto* and *de jure* which structure power relations. This is what Fritz et al., termed as institutional variables. This first category encompasses elements of the *environment*, *structures*, and *clients* categories used in the Lynn et al., framework. It also captures elements of the *incentive structure* mentioned by Fritzen;
- The administrative, organizational, and legal environments. This second category covers elements of the *management*, *structures*, and *environment* categories in the Lynn et al., framework and some of the elements of the *institutional* category of Fritz et al.;
- PMD181 characteristics (OSS design). This third type includes elements of the *treatments* category in the Lynn et al., framework and the *policy design* of Fritzen, and Thomas and Grindle.

All these variables provide institutional opportunities and constraints to actors to maneuver within the system of governance. Based on this analysis, the expectation is to identify which stakeholder has sufficient power to influence PMD181 outcomes according to its own interests.

Table 35: Sources of OSS stakeholders' power to influence OSS outcomes at commune level



Source: my own interpretation

3.1.1 Analytical approach used to assess OSS stakeholders institutional power balance

The analytical approach that I intend to adopt is the following:

- Analyze the sources of power of OSS stakeholders in order to identify which stakeholder has sufficient power to influence policy outcomes at commune level. The sources of institutional power analyzed are: (i) the institutional set up (*de jure* and *de facto*), (ii) the administrative, organizational, and legal environments, and (iii) PMD 181 content. Each stakeholder's power is weighted and measured;
- Analytically speaking, three complementary approaches are used to identify the institutional arrangements at commune level: (i) the formal authority relations linking Party-state institutions between themselves and between them and citizens (*de jure* institutional set up); (ii) the main features of how the institutional environment operates *de facto* at commune level; and finally, (iii) the analytical framework of state-society relationships contextualized at commune level;
- For each stakeholder, identify what their strategic interests are vis-à-vis the initiative. Are they in favor of or against such initiative? Each stakeholder is ranged according to their level of support for the OSS program. For each stakeholder, its net strategic interest (i.e., its position on the ground with regard to the OSS program) is weighted and measured;
- Weight the strategic position of each stakeholder vis-à-vis the initiative against its power. This measures the relative level of influence of each stakeholder to determine OSS outcomes;
- Identify those stakeholders with the highest level of influence on OSS outcomes on the ground.

3.2 First source of stakeholders' institutional power: *de facto* and *de jure* authority relations

In order to assess the first source of stakeholders' power at commune level, the formal institutional set up is presented. This first section is followed by the description of how institutions operate *de facto* (second analytical input) and finally the assessment of communal institutional arrangements using a state-society relationship framework (third analytical contribution).

While the analysis of the institutional arrangements is suited to identifying authority relations, the state-society framework complements the analysis with a discussion regarding the devices at the disposal of citizens to influence state officials to operate in a transparent, fair, and responsive manner, and seek redress in the case of abuse.

The analysis encompasses both *de jure* and *de facto* mechanisms, which leads to a discussion of the content and how effective such devices are. The final objective is to understand which commune level stakeholder holds sufficient power to shape OSS policy outcomes according to its strategic interests.

3.2.1 De jure institutional arrangements at commune level

Commune level Party-state actors

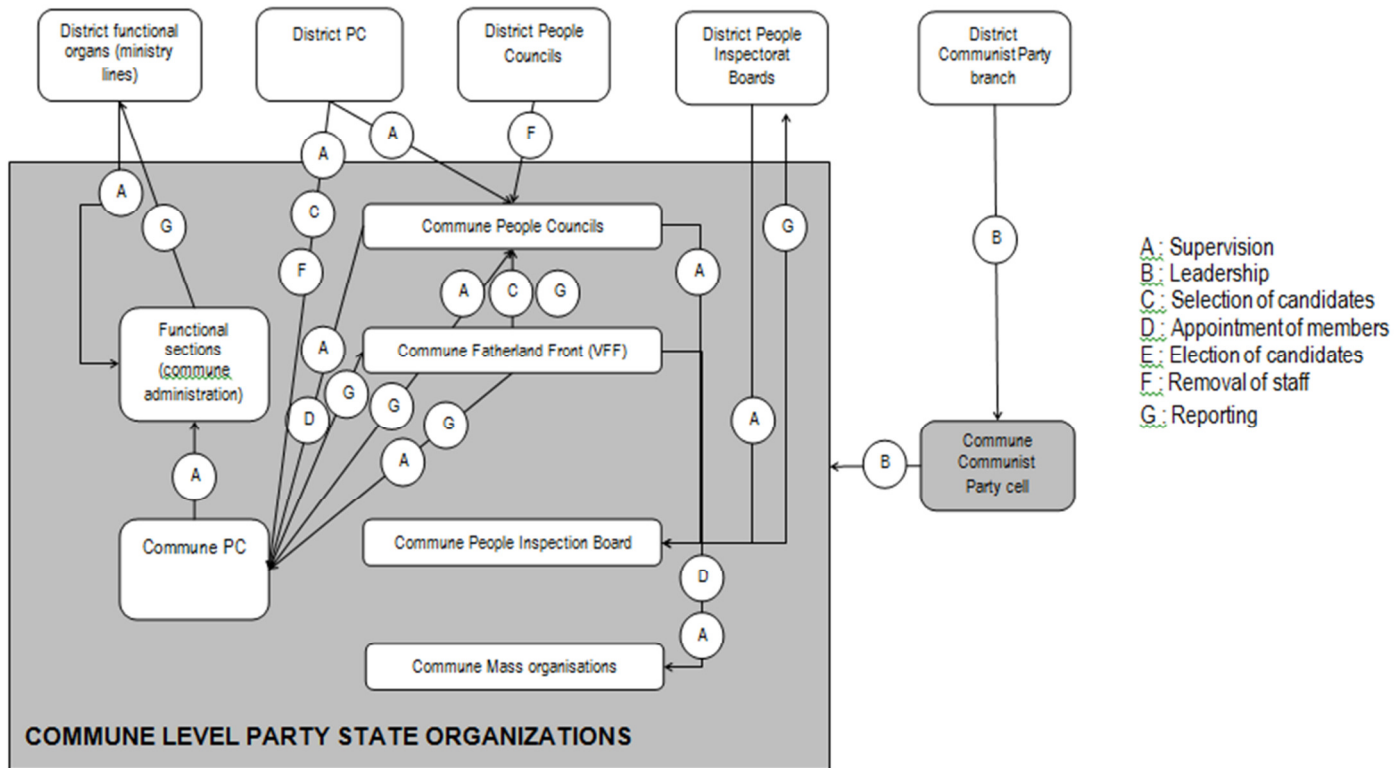
The communal Party-state institutions are made up of:

- People's Councils (PCnls): they are resident, elected assemblies representing the people and the state. According to the Constitution (art. 119) and the LPC (art. 1), PCnls are the local organ of state and they "represent the will, aspirations, and mastery of the people";
- People's Committees (PCs): PCs are the local "executive organ, the organ of local State administration" (art. 123 Constitution);
- Functional sections: they are composed of central Government officials (functional bureaucrats) in charge of public security, notarization and authentication of official documents, construction affairs, land administration, civil status registration, social affairs, services regarding natural resources, and the environment;
- Communist Party cells or Party branch: they represent the CPV at commune level, that is, "the force leading the State and society"⁹⁸. As such, they direct State and socio-political organizations (VFF and other mass organizations);
- Commune level VFF (VFF): they constitute "the political base of people's power" (art. 9 Constitution) and they head all mass organizations at commune level;
- The CP Inspection Board: they are charged, in parallel with PCs and village heads, "with dealing with people's complaints and denunciations" (UNDP, 2004c, p. 4);
- Mass organizations: they are responsible for supporting PCs and PCnls in the implementation of Government policy at commune level. They operate under the formal authority of the VFF. They also provide feedback from the grassroots to these state institutions.

It is important to stress that communes and wards "do not have their own courts or procurators, unlike the levels above them" (Koh, 2004a, p. 189).

⁹⁸ Article 4 Constitution: "The Communist Party of Vietnam, the vanguard of the Vietnamese working class, the faithful representative of the rights and interests of the working class, the toiling people, and the whole nation, acting upon the Marxist-Leninist doctrine and Ho Chi Minh's thought, is the force leading the State and society"

Table 36: Institutional set up of Party-state organizations at commune level



Source: adapted from the SRV Constitution 1992 and other legal documents

Authorities relationships at commune level


Table 37: Type of formal relationship between governance actors at commune level

Relationship at commune level	Type of relationship
Vietnamese Fatherland Front and People Councils	<ul style="list-style-type: none"> - Selection: all PCnls candidate must be formally approved by the commune VFF cell (art. 6 LEPC) - Supervision: VFF shall be invited to attend the sessions of PCnl at the same level when relevant problems come up for discussion (art. 125) - Reporting: VFF shall receive the report from the PCnls (art. 125)
Vietnamese Fatherland Front and People Committees	<ul style="list-style-type: none"> - Supervision: VFF shall be invited to attend the sessions of the People's Committee when relevant problems come up for discussion (art. 125) - Reporting: VFF shall receive a report from PC (art. 125)
People Councils and People Committees	<ul style="list-style-type: none"> - Election: the PCnls elects the Chairman of the PC (art. 123) - Supervision: PCnls has the right to interpellate the Chairman and other members of the PC and the heads of organs under the PC (art. 122)
PCnls and Inspectorate Board	<ul style="list-style-type: none"> - Supervision: PCnls has the right to interpellate the Head of the Inspectorate Board
People Councils at district level and People Councils at commune level	<ul style="list-style-type: none"> - Removal: in cases where the PCnl has caused serious losses with regard to the interests of the people, it shall be dissolved by the district PCnl (RCP, art. 62)
People Committees at district level and People Councils at commune level	<ul style="list-style-type: none"> - Supervision: the PCnl is subject to the supervision and operational guidance of the Chairman of the PC district level. Wrong decisions by PCnls can be suspended or annulled by the Chairman of the PC at district level (art. 124)
People Committees at district level and People Committees at commune level	<ul style="list-style-type: none"> - Approval of candidates: the election of PC Chairman and Vice Chairman needs the consent of the PC at district level (art. 52 LPC) - Removal: the district PC Chairman has the authority to remove the PC Chairman and Vice Chairman at commune level (art. 52 LPC) - Supervision: the district Chairman of the PC can suspend or annul the wrong decisions of organs under the PCs of commune level (art. 124)
People's Inspectorate at	<ul style="list-style-type: none"> - Supervision: communal People's Inspectorate operate under

district level and People's Inspectorate at commune level	<p>the formal control of district level People Inspectorate</p> <ul style="list-style-type: none"> - Reporting: communal People Inspectorate shall report to district level People Inspectorate
People Committees and functional section	<ul style="list-style-type: none"> - Supervision: communal functional bureaucrats operate under the formal control of the PC Chairman (art. 52 LPC) - Appointment: PC Chairman appoints functional bureaucrats - Removal: PC Chairman has the authority to remove the functional bureaucrats - Reporting: functional officers at commune level shall report to the PC Chairman
Commune functional section and district functional offices	<ul style="list-style-type: none"> - Supervision: communal functional bureaucrats operate under the formal control of district level functional offices - Reporting: functional officers at commune level shall report to the district functional section
Vietnamese Fatherland Front and mass organizations	<ul style="list-style-type: none"> - Supervision: mass organizations under the formal control of VFF - Appointment of members
Mass organizations and Vietnamese Fatherland Front	<ul style="list-style-type: none"> - Reporting: mass organizations report to the VFF
Mass organizations and People Committees	<ul style="list-style-type: none"> - Reporting: mass organizations report to the PC - Reporting: PC reports to mass organizations (art. 125)

Source: adapted from the SRV Constitution 1992 and other legal documents

Table 38: Matrix - Type of formal relationship between governance actors at commune level based on SRV Constitution

 VFF (VFF)	PCNs (Commune level)	PCs (Commune level)	People Inspectorate Board	Functional sections (bureaucrats)	Mass organizations
Vietnamese Communist Party (CPV)	Leadership	Leadership	Leadership	Leadership	
VFF (VFF)		<ul style="list-style-type: none"> ▪ Selects of candidates ▪ Supervises 	Supervises	Supervises	<ul style="list-style-type: none"> ▪ Supervises ▪ Appoints members
PCNs	Reports	(District level) <ul style="list-style-type: none"> ▪ Removes 	<ul style="list-style-type: none"> ▪ Elects PC Chairman ▪ Supervises 	Supervises	
PCs	Reports	(District level) <ul style="list-style-type: none"> ▪ Supervises 	(District level) <ul style="list-style-type: none"> ▪ Approves candidates ▪ Removes ▪ Supervises 		<ul style="list-style-type: none"> ▪ Supervises ▪ Appoints bureaucrats ▪ Removes bureaucrats
People Inspectorate Board				(District level) <ul style="list-style-type: none"> ▪ Supervises ▪ Reports 	
Functional sections (bureaucrats)			Reports		(District level) <ul style="list-style-type: none"> ▪ Supervises ▪ Reports
Mass organizations	Reports		Reports		

Source: adapted from the SRV Constitution 1992 and other legal documents

3.2.2 De facto institutional arrangements at commune level

How commune level institutions operate *de facto* is the second analytical contribution meant to assess stakeholders' power. The issue at stake here is to understand which commune level stakeholder holds sufficient the power so as to shape OSS policy outcomes according to its strategic interests.

Literature on the topic (see, for instance, Duong, 2004; Hardy, 2001; Jorgensen, 2005; Koh, 2001a, 2001b, 2004a; Shanks et al., 2004; Sikor, 2004; Trang, 2004) distinguishes a few key characteristics of how commune level state agencies operate.

Concentration of power in the hands of the Executive

The first characteristic of the governance setting at local level is the

concentration of political power in the hands of only a few institutions and individuals. The commune level cell of the CPV, from a formal point of view, is separated from the administrative and political structures of the state, “but in practice, distinguishing the Party from the state institutions is very difficult” (Koh, 2004a, p. 198).

The scholar adds that the Party “funding comes from the state and the Party members directs the state apparatus” (ibid). There is no doubt, continues Koh, that “the Party branch is the master of all administrative matters” (Koh, 2004a, p. 198). Although, constitutionally speaking, the PCnl is meant to represent the people and has the power to supervise the PC, the PC is the state body with more political power.

Ineffective check-and-balance mechanisms

The PCnl, according to the Constitution, “is the local organ of State power” (art. 119) and therefore is, at least on paper, “the supreme local authority” (Koh, 2004a, p. 215). It is also responsible for supervising local Executives and ensuring that the PC implements state policies and operates according to the law.

The situation on the ground is quite different, as has been pointed out: “the PCnls have the rights but not the power” (1998, National conference on PCnls, as cited in Koh, 2004a, p. 217).

There is general agreement among observers that commune PCnls are in a position of weakness vis-à-vis PCs and this because of their lack of the right technical and financial resources (UNDP, 2006, p. 27). In this regard, it is worth noting that while PCnl budgetary powers have increased in the last few years, the PCnl does not have its own budget (the budget comes from the PC) and therefore has no effective power over the allocation of its resources (ibid).

Furthermore, the Law on People Councils “does not define sanctions that the People’s Councils can impose on state institutions, such as People’s Committees, if such institutions perform poorly” or if they breach the law (UNDP, 2006, p. 27).

This situation is also exacerbated by the superposition of roles and the pervasive influence of the Party. It is, in fact, current practice that the position of the PCnls Chairman be occupied by the local Party secretariat; in such cases, the Chairman can “exert leadership on the Committee via the Party hierarchy” (Koh, 2004a, p. 214).

Practices on the ground also reveal other configurations in terms of the allocation of positions within state actors. The local Party Inspector, the person in charge of checking on PC top officials, is under the formal command of the Party Secretary and the Party Deputy Secretary; “consequently, he does not have an independent power base” (Koh, 2004a, p. 214).

As noted by Koh (2004a), it is also often the case that the Chairman of the commune PC is also Deputy head of the commune Party branch, and that members of the PCnls are local leaders of mass organizations.

Finally, the Party also directly appoints, or controls the appointment of, local functional civil servants and officials (Koh, 2001a, 2001b; Oxfam, 2003; Trang,

2004).

Blurred accountability systems: the dual subordination system

The dual subordination system also contributes to shaping governance arrangements at commune level. As mentioned, such accountability system implies two types of authority relationship: the first is the vertical authority, which the Ministry has over its department (provincial level), office (district level), and section (commune level); the second is the horizontal authority. This concerns the authority that the local PC Head has over functional bureaucrats working in his Government.

In addition to rendering accountability systems ineffective, points out Koh (2004a, p. 219) referring to Nguyen Dang Dung, the dual subordination system causes “problems of contesting authority and power, especially in creating multiple power channels”.

Koh (2004a) reports that, in this regard, the main problems have been observed between the commune PCs and the upper line agencies, and between commune PCs and district PCnls. The unclear legal framework and the dual subordination system creates a situation where all these state agencies contest, for instance, each other’s authority to regulate or manage specific matters (e.g., the grant of construction permits) or to appoint top officials. In most cases, tensions arise when commune authorities want to appoint a commune PC Chairman who is not approved by upper level bodies (Koh, 2004a).

While it is generally accepted among specialists (see, for instance, Fforde, 2003; Fritzen, 2002, 2006; Kerkvliet, 2004; Koh, 2004a; Shanks et al., 2004; Trang, 2004; WB, 2005) that the double accountability system creates a situation where accountability relationships are “somewhat blurred by overlapping spheres of authority and habits of intervention” (Fritzen, 2002, p. 10), in certain cases it has been observed that “when accountability is established, it is more likely to be to local rather than central structures” (Shanks et al., 2004, p. 19).

As bureaucrats working in line agencies are appointed by local authorities – and not by their ministries – they tend to consider themselves more accountable to their local PC Chairman than to their ministry authority line (ibid). This also contributes to reducing the influence of central powers at local level.

Local adaptation of Government policies

Another institutional feature of how institutions operate *de facto* is that commune officials “are allowed to adjust state policy to local conditions” (Koh, 2004a, p. 218). Such feature is also clearly expressed in PMD181, article 4⁹⁹. While the intent is to better fit legal provisions to local specificities, the adjustment of state policy and regulations at local level has created a situation where “local diversity has meant overriding national laws and standards” (ibid). This largely contributes to enhancing the discretionary power of local level officials since the “lack of supervision leaves such power (...) unchecked” (ibid).

⁹⁹ PMD181, article 4 “ [local authorities] shall base themselves on the practical situation in their respective localities to decide on the selection of other working domains for the application of "one-door" mechanism”

According to Sikor (2004, p. 190), “local cadres interpret central directives according to their own priorities. They concretize central policy instructions to match the conditions of their localities”. Upper functional officials, in fact, cannot exert effective control over lower specialists. Such situation leads to what Koh (2001b) has defined as the insubordination problem (p. 284).

Following research on how local bureaucrats operate vis-à-vis upper level authorities, Koh (2001b) notes that “the upper levels of Government are often unable to direct or order the lower levels to do as told, because of the multiple chains of command that the lower officials are able to manipulate to counter” (p. 285). Moreover, “this is especially so when local officials see that there is nothing to gain if they were to comply with orders, but everything to gain if they catered to what their patrons or residents want” (ibid).

This also contributes, as stressed by several scholars (see, for instance, Kerkvliet, 2004; Koh, 2004a, pp. 218-219; Sikor, 2004) to consolidating horizontal connections where functional bureaucrats concede special power to local authorities in exchange for rewards. As noted by Koh (2004a), a popular practice for local functional officials, in contravention of national or local regulations or by using special interpretations, is to grant authorization to citizens (e.g., to build a four-storey building when the regulation only allows 3 storeys) and then to impose on the owners exorbitant fines in order not to have the building destroyed (Koh, 2004a, p. 219).

As noted by Koh (2004a, p. 219), with these kinds of practices, central authorities lose control of how policy is implemented since local authorities contribute to distorting policy outcomes at local level. In addition, the money extorted from citizens is then shared among local officials and functional bureaucrats (for accounts of these practices, see, for instance, Koh, 2001b, 2004a; Sikor, 2004).

Lack of education of communal cadres

An insufficient level of education is another element that reveals how local institutions operate *de facto*. According to literature (see, for instance, Fforde, 2003; Koh, 2004a; WB, 2005, 2009), incompetent cadres represent the “Achilles’ heel of local administration” (Koh, 2004a, p. 213). A study conducted by the Government in 1999 reported that over 60% of all basic level cadres claimed that “they were unable to deal with the new societal conditions since the reforms of 1986” (ibid).

Also interesting is the composition of local cadres. According to the same study, over 60% of local cadres at commune level are “retirees of the armed forces” and up to 90% of them were “long-serving cadres recruited from local branches of mass organizations” (Nguyen Van Thu, 1999, as cited in Koh, 2004a, p. 213). As stated by officials interviewed by Koh (2004a) the Party “had used the ward [commune level authorities] as a dumping ground for retired Party and state officials” (p. 208). Given that nearly 90% of local cadres had “not been trained as administrators” (ibid), it is no surprise that the survey revealed that 85% of commune level PC Chairmen confessed to needing training (ibid).

As shown by the tables, low levels of education can be found in the PC, the PCnl, and among functional bureaucrats.

Table 39: Educational level of commune PCnls (1994-1999)

Educational Level	PCnls
Illiterate	0.6%
Primary	10.2%
Junior Secondary	46.4%
Without Training of State Management	83.6%
Without Professional Training	85.2%

Source: Chuc Nha Nuoc (2001), State Management, Nb. 4, cited in Fforde (2003), Decentralization in Vietnam, Australian Agency of International Development

Table 40: Educational level of commune PCs (1994-1999)

Educational Level	PCs
Illiterate	0.6%
Primary	5.6%
Junior Secondary	39.9%
Without Training of State Management	69.3%
Without Professional Training	82.2%

Source: Chuc Nha Nuoc (2001), State Management, Nb. 4, cited in Fforde (2003), Decentralization in Vietnam, Australian Agency of International Development

Table 41: Professional level of commune officials in the areas of office work, finance and accounting, legal matters, and land management, 1994-1999

Educational Level	Office Work	Finance and Accounting affairs	Law affairs	Land Management affairs
Primary Education	4.7%	4.8%	7.5%	6.2%
Junior Secondary	33.1%	27.8%	40.2%	35.5%
Without Training in State Management	73.4%	84.5%	85%	85.7%
Without Professional Training	79.9%	59%	85.1%	70.7%

Source: Chuc Nha Nuoc (2001), State Management, Nb. 4, cited in Fforde (2003), Decentralization in Vietnam, Australian Agency of International Development

The level of preparation required to administer communal affairs also has a direct consequence on the capacity of PCnls members to fulfill their supervisory mandate over the PC. As observed by Koh (2004a), the lack of technical skill of the members of the PCnls also explains why PCs have “a high level of

autonomy” (p. 214).

While literature acknowledges that the level of education of state officials is critical in determining the state’s administrative capacity - i.e., the ability of the state to translate policies via its administrative apparatus into intended outcomes (Fritzen, 2000a) - in a power perspective, the education of state officials needs to be considered differently. The issue at stake here is not the lack of technical capability of officials to deliver, but the fact that a low level of education can be expected to influence the aptitude of state officials to abide by legal provisions and to engage with citizens according to the principles of the rule of law.

Ignoring those basic principles and legal provisions that are meant to structure the relationship between civil servants and citizens, one can expect that state officials would interact with citizens based upon informal and more personal rules and practices (Koh, 2004a).

Local cadre morality and commitment

A further point that also deserves mentioning in order to grasp how local state institutions operate *de facto* is the ethical conduct of cadres (Abuza, 2001, 2002; Fritzen, 2006; Koh, 2004a; Sikor, 2004).

As far back as the mid-1980s, the CPV criticized the competences of the members of the PCs and PCnls. In addition to stating that local cadres “lacked initiative and relied on direction from above”, already then, the Party went public by observing that local officials exceeded their powers by being “authoritarian, rude, and bureaucratic”, while others “operated meekly” (Koh, 2004a, p. 208).

More recently, new problems have been reported by the state media, among them “the moral degradation of cadres, especially Party members” (p. 208). Equally alarming is the fact that many local level officials, as reported by Koh (2004a) “had set up illegal business, embezzled state property, and helped residents to evade taxes and then split the difference” (ibid).

While literature reports that things have not really changed since the 1990s (see, for instance, Dixon, 2004; Will 2006), thanks to the multiplication of new sources of information, Koh (2004a, p. 213) notes that citizens have had access more easily to better information, especially in urban areas. Being more aware of their rights, citizens have also become more demanding vis-à-vis local administrations (Fritzen, 2006; Oxfam, 2003).

Furthermore, the incapacity of local cadres to meet new expectations to regulate the market and society has increasingly contributed to eroding the moral status of local officials (Koh, 2004a; WB, 2009). However, this has not been followed by a more balanced power distribution between state and society at local level, as the next chapters intend to demonstrate.

Insufficient salary

According to the latest figures available, since May 2009, the minimum wage of a civil servant is VND 650’000¹⁰⁰ (WB, 2009) while expenses exceed this sum

¹⁰⁰ According to a calculation based on 2002 VHLSS, the average pay (that is salary and cash benefit) of a civil servant is 9’568’000 VND per year (JDR: 2005)

by at least three times (Koh, 2001b, p. 283).

It is abundantly clear that such remuneration is insufficient to support a family, especially in urban areas. In such conditions, external sources of revenue are indispensable to make a living and raise a family, which is why “most, if not all, bureaucrats, have side incomes (...) that are usually much larger than the official salaries” (Koh, 2001b, p. 283). According to the scholar, “the sources of unofficial incomes are usually related to work in official capacities. In other words, the sources of unofficial incomes are usually either corruption or contract work obtained via the person's official capacity” (ibid).

Promotion and career

It has been acknowledged that the transparency of the system of promotion has an influence on staff motivation and ethical standards (WB, 2009, p. 18). In this regard, career incentives at local level do not play a motivating role. Most local level cadres and civil servants either do not have the education or the age to expect to make a political or administrative career at provincial and central level, and this undermines their motivation to manage commune affairs according to their political administrative mandate (Abuza, 2001; Koh, 2004a, p. 213; Sikor, 2004; WB, 2009).

Koh (2001b) argues that in urban settings, where local officials may be younger and more educated, career incentives may play a role in raising the motivation of leaders to “maintain law and order” (p. 294). Antagonism among wards to operate according to Party and Government guidelines can have the effect of those leaders that perform best, in some cases expecting recognition and “career advancement prospects” (Koh, 2001b, p. 294).

While it is still unclear to what extent and under what conditions career incentives affect the behaviors of communal officials, Kerkvliet (2004) points out that, in any case, those cadres are “more concerned about pleasing authorities above than the people with whom they live” (p. 16).

Citizen education and awareness of governance related issues

A final element that characterizes the system of governance at commune level is that the level of education of villagers in Vietnam is low, especially among minorities and people living in poor areas (Oxfam, 2003; Shanks et al., 2004).

This is important for this research since it can be expected that villagers with a low level of education also have a low level of awareness with regard to governance related issues (i.e., knowledge of their civic and political rights, and therefore the aptitude to engage with local officials). Consequently, education is considered as being a critical power resource and therefore plays an important role in the articulation of the relationship between state and society.

While according to official figures the literacy rate in Vietnam is just above 90% (UNICEF official website)¹⁰¹, the insufficient level of education has been

¹⁰¹ Retrieved on 24 February 2012 from http://www.unicef.org/infobycountry/vietnam_statistics.html

identified as being among one of the most important technical reasons why Government initiatives meant to devolve certain responsibilities to local residents perform poorly in Vietnam. This is, in fact, the conclusion of the study conducted by Oxfam in 2003 in regard to the meager implementation of GRD in Vietnam. The same analysis is shared by knowledgeable scholars (see, for instance, Fritzen, 2003; Gironde et al., 2009; Trang, 2004).

At commune level, the recipient of formal information related to governance issues, such as new Government policies, new regulations, etc. is the People's Committees. Citizens' access to this information is therefore conditioned by the discretionary will of local officials to disseminate and divulge such information (Trang, 2004, p. 157). As primary data pointed out, local cadres have largely neglected their obligation (i) to carry out OSS information campaigns and (ii) to organize the OSS as an information center. Especially in remote areas, this has direct consequences on the villagers' capacity to engage with local officials since, unaware of their rights and relatively unaware of the obligations of bureaucrats and cadres, villagers unwittingly allow local officials to operate in a context of information dissymmetry favorable to the latter (Gironde et al., 2009).

Secondly, as previously mentioned, the Vietnamese political culture tends to support the subordination posture of citizens vis-à-vis authorities (see the analogy of the family, where the Party represents the parents and the children the citizens). Such attitude is further strengthened by the Confucianist cultural tradition, which also tends to value consensus and social harmony (Jorgensen, 2005).

Finally, as previously observed, citizens also tend to adopt a form of resignation vis-à-vis local authorities and this seems to reflect a lack of confidence in them and in state institutions. While such resignation can be partially explained by the fact that Vietnamese cultural and political traditions may favor an accommodating mindset with regard to the expression of formal authority, citizens perceive themselves as being rather impotent vis-à-vis local PCs, as demonstrated by their lack of willingness to engage with local authorities. Assuming that the outcome of any contestations would most likely turn out not to be in their favor, citizens refrain from officially taking action when local officials behave abusively and/or do not fulfill their mission.

All these elements clearly affect the capacity and aptitude of citizens to engage with local officials.

3.2.3 State-society relationships

This section intends to add a third analytical contribution to understanding power balance at commune level. It presents the analysis of the mechanisms that structure the contacts between the Party-state and citizens at commune level.

As mentioned, PMD181 ambitions

to create a substantial change in the relationships and problem-settling procedures between State administrative agencies and organizations as well as citizens, reduce troubles for organizations and citizens, combat red-tape, corruption and authoritarianism among State officials and

employees, and raise the effectiveness and efficiency of the State management (PMD 181, art. 1).

So, how is such relationship structured? In this regard, one can distinguish three types of mechanism, namely: direct, semi-indirect, and indirect.

- *Direct control mechanisms* are intended to mean those mechanisms that directly structure the authority relationship between citizens and the authority in charge of public administration services delivery, which is the PC (i.e., the Grassroots democracy framework, Decision N. 80/2005 on Local Supervision and Participation in the Planning and Construction of Basic Rural Infrastructure – Decision 80, the Law on Complaints and Denunciations);
- *Semi-indirect devices* include those mechanisms that link citizens to the PC, but not in a direct way: i.e., via the election of the PCnls, which are expected to represent, according to the law, the “mastery of the people” (art. 119 Constitution) and, as such, are expected to supervise PC operations; and via mass organizations, as state institutions meant to provide grassroots feedback to local officials;
- *Indirect channels* are intended to mean those mechanisms that citizens could use to pressure commune state officials to operate the OSS mechanisms according to their expectations and through which they can voice their complaints (i.e., the media and civil society).

State-society relationships in Vietnam: current interpretations

The interest in reviewing current interpretations is that this allows for an understanding of whether such interpretations adequately capture what OSS findings tell us about state-society relationships, particularly insofar as it concerns analyzing such relationships at commune level.

Kerkvliet (2001b), who has reviewed studies of Vietnam state-society relations, has identified three main interpretations of current understanding of the relationship between citizens and the Party-state organizations.

According to the first interpretation, the state-society power balance is entirely in favor of the Party and the state institutions controlled by it (Kerkvliet, 2001b). The *dominating state* model implies that groups or activities in society other than the Party have little or no influence on the political system given “that rules and programs governing Vietnam are done by and within the state, in which the Communist Party is the most powerful and pervasive institution” (p. 241). According to Thayer (2008), “the Party exercises hegemonic control over state institutions, the armed forces and other organizations in society through the penetration of these institutions by Party cells and committees” (p. 3). Finally, the country is a “vast and co-ordinated Party-state which pre-empts alternative and autonomous societal organizations from the national centre down to the grassroots of the village and the workplace” (Womack 1992, as cited in Kerkvliet, 2001b, p. 241).

The second interpretative model of state-society relationships identified by Kerkvliet (2001b) is “mobilization authoritarianism” (p. 242). This interpretation emphasizes the role of organizations dominated by the state to mobilize support

for “its programmes and policies, maintain channels of communication between authorities and each sector of society, and manage social and economic groups that otherwise might become unruly” (pp. 242-243);

In such context, the state controls society through state-affiliated organizations which are mobilized in order to support its policies and programs. This model “acknowledges the existence of channels for society to influence the state, but only within strictly prescribed limits” (Shanks et al., 2004, p. 35). Participation modalities are dictated by the Party and people might to some extent be informed or consulted prior to decision making, but they will not be integrated into the process. Turley (1993, as cited in Kerkvliet, 2001b, p. 243) writes that the “power elite has been able to invite popular involvement under its supervision without much fear that things will get out of control”.

According to the third interpretation, the “dialogue” model (Kerkvliet, 2001b, p. 244), the state “looks beyond formal and largely national level politics” and acknowledges that state powers are “far more limited than rhetoric would suggest” (Shanks et al., 2004, p. 35) because centrifugal forces (e.g., decentralization and formal and informal spaces of representation) create “considerable potential for central policies to become transformed through adaptation” (ibid) at regional or grassroots level.

In this spirit, state officials together with the political leadership is “aware of the need to maintain popular legitimacy, and responds to social pressures for the modification of policies which undermine this legitimacy” (Shanks et al., 2004, p. 35).

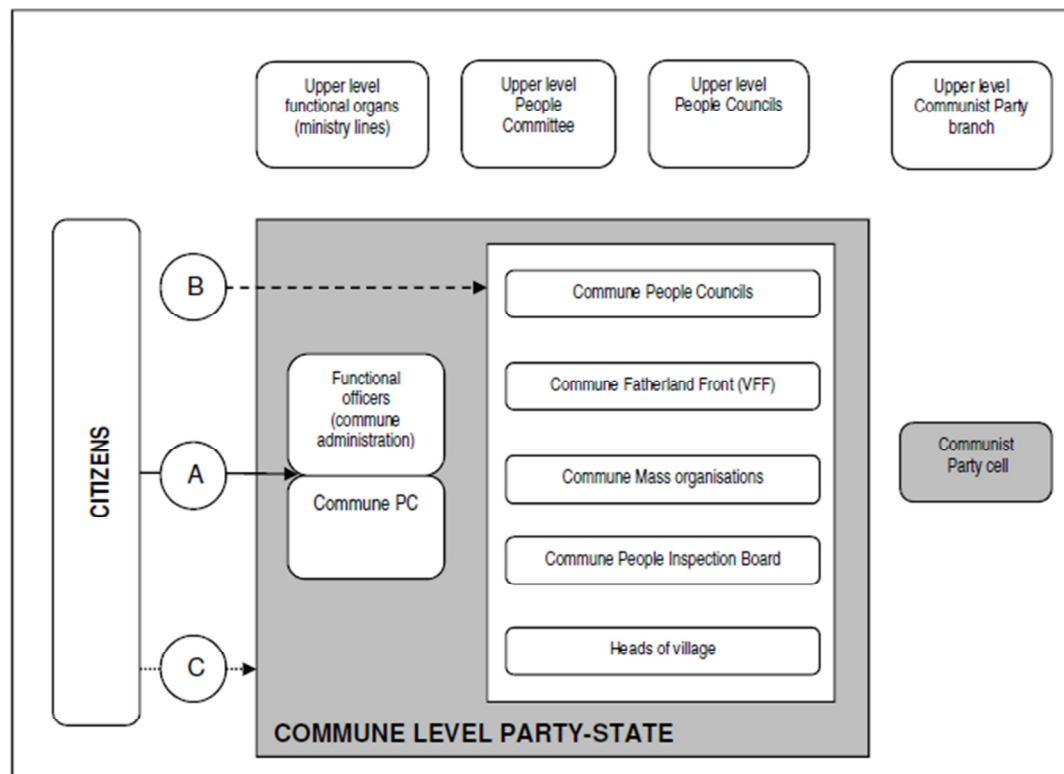
Kerkvliet (2001b), mentioning the work of Beresford (1995) acknowledges that policy implementation involves “considerable negotiation between local and central authorities” (p. 243). This explains, adds the scholar referring to Thirft and Forbes (1986), the “discrepancies between what the state claims and what actually occurs” (ibid).

This model recognizes the existence of dialogue “between various components of the state” (Kerkvliet, 2001b, p. 244), stressing the fact that while multiple formal and informal forces come into play to regulate state-society relationships, channels of interaction between citizens and the state are still under the control of the political elite (ibid).

3.2.4 Mechanisms for Party-state and society interactions at commune level

Which are the mechanisms at commune level at the disposal of citizens to influence the commune governance process? To which extent have these mechanisms been designed (*de jure*) and to which extent do they operate (*de facto*) so as to allow citizens to force PCnls to improve PASD performance?

Table 42: Channels for Party-state (commune authorities) and citizen interaction



Legend:

A : Direct channels Party-state society relationships

- Consultation, information monitoring, and supervision mechanisms (GRD)
- Law on Complaints and Denunciations
- Direct contact with local Party-state officials

B: Semi-indirect channels Party-state society relationships

- Election of People's Council members
- People's Council body representing the mastery of the people
- Vote of confidence of commune officials
- Judiciary system at commune level
- Mass organizations as interface of Party-state and citizens

C: Indirect channels Party-state society relationships

- The Media
- Civil society

Source: my own interpretation

3.2.5 Direct channels that structure Party-state and society

The direct channels that structure Party-state and citizen interaction under discussion are: consultation and information mechanisms, complaint and denunciation, direct contact with local officials, and other mechanisms such as the complaints/suggestions box.

Grassroots democracy decrees (GRD) and citizen rights: information, consultation, monitoring, and supervision

The legislation (Grassroots Democracy Decree No. 29) stipulates the local Government decisions about which citizens “need to be informed”¹⁰²; issues that people “can discuss and decide directly”¹⁰³; matters of “the local authority that must be presented to the people for an opinion or public debate before the local authority can make a decision”¹⁰⁴; and finally, the “work the people can inspect and monitor”¹⁰⁵ (adapted from Duong, 2004, as referred to in Mekong Economics, 2006, p. 8)

Grassroots Democracy Decree No. 29/ND-CP was issued in 1998. Based on a first set of evaluations that highlighted its poor implementation, in 2002, the Government issued Decree 79 that amended Decree 29 “to make the implementation process faster by specifically naming the commune PC and PCnl as directly responsible for implementation without having to rely on implementing instructions from the higher authorities” (Mekong Economics, 2006, p. 6).

Decree 79 (art. 5) also extended the scope of issues about which citizens have to be informed (i.e., “the results of selection, priority order and organization of implementation of works under the programs and projects directly invested in, or donated to, communes by the State, organizations and/or individuals”) and also

¹⁰² Article 5, GRD 79: “(...) policies and laws directly related to the rights and interests of the commune people, (...) resolutions of the commune People’s Councils, decisions of the commune People’s Committees and those of superior authorities relating to the localities, (...) the land use plannings and plans, (...) the estimates and settlement of revenues and expenditures of funds, programs, projects and contributions mobilized from the people for the construction of infrastructure and public (...)”

¹⁰³ Article 7, GRD 79: “(...) the levels of contributions for the construction of infrastructure and public-welfare facilities (electricity supply, roads, schools, health stations, cemeteries, cultural and sport facilities, (...)”

¹⁰⁴ Article 10, GRD 79: “the draft resolutions of the commune PCnl, (...) draft of a scheme or plan to boost the yearly socio-economic development of the commune, (...) plan of land use rights and land subdivisions, (...) draft plans to implement national targets, policies to reduce unemployment in the commune, (...)”

¹⁰⁵ Article 12 GRD 79: “The results of the implementation of resolutions of the commune People’s Councils and decisions as well as directives of the commune People’s Committees, (...) the settlement of local citizens’ complaints and denunciations, (...) The estimates and final settlement of commune budgets, (...)”

“reduced the quorum for a meeting of households to discuss and vote about the work of the communes from two-thirds down to fifty per cent” (Mekong Economics, 2006, p. 6).

While it is not my purpose to review the entire literature on the implementation of GRD, researches on the outcomes of this program (see, for instance, Doung, 2004; Fritzen, 2003, 2006; Mekong Economics, 2006; Oxfam, 2003) inform us that the effectiveness of GRD varies considerably from place to place. Nevertheless, as noted by Fritzen, its implementation “has been disappointing in several ways” (Fritzen, 2003, p. 13).

Whereas there is a general understanding that the transparency of state operations at commune level has improved thanks to the GRD, in many cases “there are still some top-down decisions that are unclear and not transparent” (Oxfam, 2003, p. 17). Other studies point in the same direction: according to Neefjes (2004), GRD has brought very limited improvement in financial transparency.

Gironde et al., (2009) point out that that consultation processes for the selection of basic infrastructures at commune level have formally been adopted, but in most cases citizens were asked “to endorse decisions that were already made” by local authorities (p. 35). As stressed by a UNDP report (2006, p. 12), “the quality of participation seems to be weakest in the context of land and natural resources issues”. Too often, points out the same report, “plans are decided and funded at levels above the commune, and in many cases above the district” (ibid).

As for the role played by citizens with regard to the supervision of local activities, the UNDP study concludes that these are “the weakest aspect” of GRD outcomes (p. 18). Their lack of skills and the lack of transparency in some critical areas (e.g., the bidding procedure for the selection of the construction company, use of funds with regard to project implementation, etc.) seem to explain such poor results (Gironde et al., 2009).

Law on complaints and denunciations

The Law on Complaints¹⁰⁶ and Denunciations¹⁰⁷ - LCD (2008) - is “one of the essential institutions in the relationship between the state and society” in

¹⁰⁶ To “complain means that citizens, agencies, organizations or public employees, according to the procedures prescribed by this law, propose competent agencies, organizations and/or individuals to review administrative decisions, administrative acts or disciplinary decisions against public employees when having grounds to believe that such decisions or acts contravene laws and infringe upon their legitimate rights and interests” (Article 2, Law on Complaints and Denunciations, as cited in The Asia Foundation, 2008, p. 5)

¹⁰⁷ To “denounce means that citizens, according to the procedures prescribed by this law, report to competent agencies, organizations and/or individuals on illegal acts of any agencies, organizations and/or individuals, which cause damage or threaten to cause damage to the interests of the State and/or the legitimate rights and interests of citizens, agencies and/or organizations” (Article 2, Law on Complaints and Denunciations, as cited in The Asia Foundation, 2008, p. 5)

Vietnam (The Asia Foundation, 2009, p. 2). It provides the legal framework for citizens “to lodge with any competent State authority a complaint or denunciation regarding transgressions of the law by any State body, economic or social organization, people’s armed forces unit or any individual” (art. 74 LCD).

At commune level, it has been observed that these complaint and denunciation mechanisms “remained weak” and mostly “ineffective” (UNDP, 2006, p. 20). There are several reasons for such poor performance.

First of all, the “jurisdiction to resolve administrative complaints is defined” according to the principle of the dual subordination system (The Asia Foundation, 2009, p. 6): “an administrative complaint has first to be addressed at the point where the Government (communal, district, provincial levels) issued the administrative decision” (p. 6). Considering the inconsistent legal system and the overlapping vertical and horizontal functions and responsibilities of state institutions, “it is very confusing for citizens to be able to identify the appropriate agency with the power to resolve their complaints”; as a result, citizens are discouraged from starting the grievance procedure (ibid).

Another consequence of such confusion is that, often, citizens do not know where to address their grievances and a large part of these end up at the NA. From there, they are then “transferred to the relevant ministry, which then sends them to the office of the State inspectorate in each ministry” (UNDP, 2006, p. 20). In 2004, reports UNDP (2006) mentioning Bich Ngoc (2004), over 15,000 petitions were addressed to the NA. Due to lack of time and resources, the NA cannot ensure “that complaints have been adequately addressed, and must rely on the good faith of inspection offices” (UNDP, 2006, p. 20). In practice, notes the UNDP (2006), ministries and inspectors “have been accused of dealing with petitions ineffectively and NA deputies often receive no response to their forwarded complaints” (ibid).

According to the LCD, complaints “are supposed to be lodged first at the administrative level against which they are directed, not to higher offices” (UNDP, 2006, p. 20), which is considered the “first level complaint settlement” (The Asia Foundation, 2009, p. 9). However, “officials and state organs that have committed the questionable actions or issued the problematic decisions seldom recognize and correct their mistakes” (ibid); the system itself, stresses The Asia Foundation’s report, does not support the separation and independence of the grievance procedure given that the institution assigned to decide on citizens’ complaints is the same that edits the decision being contested. In such context, “almost no dispute is resolved at the first-level complaint settlement” (The Asia Foundation, 2009, p. 9).

Furthermore, if citizens decide to take the grievance procedure to the second level (appeal level), “for officials having power to settle complaint at the second level (appeal level) onward”, the LCD “only provides that they should meet and talk (with complainants) *when it is considered necessary*” (p. 14).

Moreover, from a legal point of view, it is not clear which party has to carry the burden of proof - i.e., “is it the responsibility of the complainants or officials or state organs?” (The Asia Foundation, 2009, p. 9). The reality, as the report of The Asia Foundation points out (2009, p. 10), is that “complainants always have to search, collect, facts and figures and documents to establish grounds for their

complaints". Moreover, given the context - i.e., the overlapping of functions and mandates of state agencies, a confusing and inconsistent legal framework, etc. - "the requirement that citizens must prove the legal basis for their complaints is very difficult for citizens" (p. 10).

According to the LCD "anonymous denunciations are not considered valid" (UNDP, 2006, p. 20). It has been noticed that in such situation, people "are often reluctant to complain against officials for fear of reprisals" (ibid).

The Law Amending and Supplementing Some Articles of the Law on Complaints and Denunciations (2005) entitles citizens to seek legal assistance via lawyers in the complaints procedure. However, notes the The Asia Foundation (2009, p. 10) "lawyers are not authorized to speak on their clients' behalf and cannot interact directly with state authorities and agencies". In such context, "citizens are on their own in putting together their cases and submitting the administrative petitions" (ibid).

Furthermore, as explained by the report of The Asia Foundation (2009), the room of maneuver of lawyers is seriously limited by the fact that they risk "find[ing] themselves in situations that would be considered in violation of the law if they are deemed to *incite, force, bribe, and/or entice complainants to complain about untruthful incidents (...) creating damages to the interests of organs, organizations and individuals*" (p. 11). These kinds of "qualitative warnings can easily be interpreted arbitrarily and as such, may make lawyers feel reluctant to receive administrative complaint cases. This provision also discourages even legal aid organizations" (ibid).

Finally, it has been noticed that at grassroots level the CPV systematically intervenes in the grievance procedure between citizens and the state. This reaches a point where it often occurs that "administrative organs rely on and even wait for instructions/opinions of the Party's committees" (The Asia Foundation, 2009, p. 16). The instructions given by the CPV are "not official and not binding from a legal point of view. These informal opinions, however, often have the decisive effect on complaint settlement" (ibid).

So, are complaints and denunciation mechanisms supportive when it comes to seeking justice and holding public officials accountable in the realm of administrative affairs? To which extent can citizens make sure that by using such instruments they will successfully pressure the PC Chairman to improve PASD in their commune? The study carried out by The Asia Foundation on the effectiveness of such mechanisms concludes that "it is virtually impossible for citizens to complain about state officials' administrative actions, rendering moot their right to complain" (The Asia Foundation, 2009, p. 8).

Direct contact with local officials and the suggestions box

In a more informal way and without officially lodging a grievance, citizens can also interact with PC officials directly by, for instance, paying them a visit, calling them, or making written suggestions that are then deposited in a special box that all PCs should make available for use by citizens.

To my knowledge, the only data available concerning the effectiveness of the complaints/suggestions boxes as a means for citizens to voice their opinions and seek to influence the operations of local authorities is the data that I

collected during my field study. The data suggest that such mechanisms are rarely used by clients to voice their opinions to local officials, as confirmed by the meager number of letters written by citizens.

3.2.6 Semi-indirect channels that structure Party-state and society

The semi-indirect channels of Party-state and society interaction at commune level that I intend to discuss are: the election of PCnls and PCnls as institutions meant to represent the “mastery of the people” (art. 119 Constitution) and therefore to supervise PC operations; the vote of confidence, the commune level judiciary system; and mass organizations.

Election of local officials: PCnls members

According to the Constitution, the PCnl is “elected by the local people” (art. 119); it is therefore “accountable to them and to the superior State organs” (ibid). The PCnl is “the local organ of state; and it represents the will, aspirations, and mastery of the people”. Finally, PCnls have a mandate to supervise PC activities and operations (art. 122 Constitution).

As for the first area, the critical question is to understand whether the election of commune PCnls members reflects the will of the villagers. According to the Constitution (art. 7), members of the PCnls “are elected through universal suffrage and secret ballot” (art. 54 Constitution).

Under the LPC, the Fatherland Front runs the “consultations to select and nominate candidates” (UNDP, 2006, p. 25). Interestingly enough, the first version of the Grassroots Democracy Decree in 1998 allowed “for open local discussion of nominations for election, but this provision was removed from Decree 79 in 2003” (UNDP, 2006, p. 25).

Ninety days before the election, the commune authorities constitute an Election Council that is made up of “representatives of the Standing bodies of the People's Councils, the People's Committees, the Standing Boards of Vietnam Fatherland Front Committees and other agencies of the State, political organizations and socio-political organizations” (art. 16 LEPC; UNDP, 2006).

As the Election Council is run by political representatives, the election process is, in most cases, “dominated by a small group of people who rotate between positions with the PCs, PCnls, and mass organizations” (UNDP, 2006, p. 26). The selection of candidates is based on their political credentials. Once the Election Council has approved the candidates, the “candidates canvass voters at meetings or through the mass media, but these meetings must be pre-arranged by the VFF” (ibid).

According to Trang (2004), it is widespread practice for local officials to use “various rules to disqualify” (p. 142) candidates of PCnls that are proposed by villagers without the prior consent of the Election Council. According to the scholar, the election of commune PCnls can be summarized by the popular saying “the Party proposes, the villagers approve” (ibid), where the source of the power to nominate comes from the PC Chairman and/or from the CPV cell. In the same vein, Koh (2004a) observes that local PCnl elections are used to “rubber stamp” (p. 207) local cadre decisions taken behind the scenes.

PCnls as the state organ that represents the mastery of the people

The issue hereafter addressed is the content and the type of authority relationship that links PCnls to citizens. In other words, are the PCnls in a position to represent “the mastery of the people” (art. 119 Constitution) or is their institutional room of manoeuvre such that other stakeholders succeed in exerting power over them?

According to the Constitution (art. 121) and the Law on PCnls (art. 4), the Deputy to the PCnls “must maintain close ties with the electors, submit himself to their control, keep regular contact with them, regularly report to them on his activities and those of the [PCnl], answer their requests and proposals, and investigate and activate the settlement of people's complaints and denunciations”. The Constitution also stipulates that “the Deputy to the [PCnls] has the right to interpellate the Chairman and other members of the PC and the heads of organs under the PC” (art. 122).

On the other hand, the LPC (art. 8) specifies that the PCnl “is subject to the supervision and operational guidance” of higher level PC and PCnl. In cases where the PCnl “has caused serious losses with regard to the interests of the people”, it can be dissolved by the next highest PCnl, and wrong decisions by PCnls can be suspended or annulled by the Chairman of the PC of the next highest level (art. 124 Constitution). The PCnl has to report “on the local situation in all fields also to the [VFF] and the mass organisations and is required to listen to their opinions and proposals on local power building and socio-economic development” (art. 125 Constitution).

So, which authority relationship is stronger, that linking PCnls to citizens or PCnls to other Party-state organizations? In other words, have PCnls been institutionally designed to operate in the interests of the people, or are horizontal and vertical lines of accountability within the Party-state stronger?

As previously presented, even top Vietnamese political and Party institutions have come to the conclusion that “the PCnls have the rights but not the power” (National conference members of PCs, as cited in Koh, 2004a, p. 217). Commune PCnls have not been designed, (see formal authority relationships) and do not dispose of the adequate technical, financial, and political resources (Fritzen, 2006), to perform effective checks and balances. As such, it has been noticed (Shanks et al., 2004; UNDP, 2006) that from an institutional point of view, PCnls do not operate according to the Vietnamese principle that they “represent the will, aspirations, and mastery of the people” (art. 119 Constitution).

The vote of confidence

According to Decree 79¹⁰⁸ (art. 13), citizens are granted the right to hold confidence votes for elected posts in their communes (members of PCnls, PC Chairman, and village chiefs); the law stipulates that people are entitled “participating in the vote of confidence for posts elected by the commune PCnl”.

However, according to the LPC, the only citizens that can participate in the vote

¹⁰⁸ Decree 79/2003/ND-CP Promulgating the regulation on the exercise of democracy in communes (GRD)

of confidence are members of the Fatherland Front and their affiliated organizations. In other words, such mechanism is not available to all villagers, but only to members of Party-state affiliated mass organizations, which, not surprisingly, are also in charge of organizing and leading the procedure.

In cases where the vote of confidence is organized, if “the proportion of votes (...) represents less than 50% of the participants” (art. 14), the commune VFF proposes that the commune PCnls consider removing such position holder. Ultimately, the vote is not coercive and it is up to People’s Councils to consider whether to revoke the mandate of the official.

With the exception of one single case reported by the UNDP (2006), it has not been possible to find data on how recurrent, and in which contexts, the vote of confidence is exercised at commune level.

The non – Judiciary: “the fox is guarding the henhouse”

As previously mentioned, at commune level there are no judicial institutions. Judicial functions are ensured by three administrative bodies, namely (UNDP, 2004c, p. 4):

- PCs: the commune PC Chairman “decides the matter, and issues a settlement decision, which parties are bound to perform. If the dispute is of judicial nature, the Chairman can act as a mediator or request that parties take their case to court”;
- People’s Inspection Boards: “they are charged with dealing with people’s complaints and denunciations”;
- Heads of villages: they are “charged with supervising the implementation of commune resolutions and decisions, as well as mediating disputes when requested by the people”.

Does such governance configuration provide an enabling environment to citizens who seek justice vis-à-vis the PC Chairman? According to the UNDP, such set up merely creates a situation where the “fox is guarding the henhouse”. (UNDP, 2006, p. 19).

The PC Chairman is selected by the PCnls members and in most cases he is the Vice Secretary of the local CPV branch. In the case of a dispute between citizens and the PC, one of the parties (the PC) is simultaneously the organ responsible for settling the dispute (adjudicative organ). This creates an overlap of functions where the principle of independent justice is not respected.

As for Inspection Boards, these agencies were created at commune level in 1984 (UNDP, 2006, p. 26). According to recent statistics (UNDP, 2006, p. 18), nearly 95% of communes in Vietnam have claimed to have a People’s Inspection Board. The Inspection Boards have a mandate “to investigate citizens’ complaints of any nature” (UNDP, 2006, p. 18). Furthermore, since there is no branch of the Judiciary at commune level, Inspection Boards are expected to function as a check-and-balance system vis-à-vis the PC and the PCnl.

Research on the matter has identified several structural elements that constrain the effectiveness of these Boards. Firstly, a UNDP (2006) survey found that most people at commune level are not aware of the existence of such Boards. In

addition, the Boards lack financial and technical resources; their members are said not to have sufficient skill actually to inspect Government operations. As a consequence, their activities are “severely limited” (UNDP, 2006, p. 18).

Secondly, as reported by the UNDP (2006, p. 19) referring to Shanks et al., (2003), in addition to the People’s Inspection Boards, on average, there can be up to fifteen other Boards operating at commune level, such as the Project Supervision Boards, the Project Construction Boards, etc. Despite the fact that all these Boards operate under the local VFF and that most of them are headed by the PC Chairman or Vice Chairman, there is “considerable confusion” (UNDP, 2006, p. 18) over their responsibilities and technical mandates.

Although the law stipulates that the Boards should have up to five elected members (UNDP, 2006, p. 19), in most cases their members are appointed by the PC Chairman (Gironde et al., 2009) and they are made up entirely of local officials, i.e., PC cadres, leaders of mass organizations, heads of villages (ibid).

As for Heads of villages, technically they are elected by villagers, but such elections have to be formally managed and supervised by the local VFF, which is controlled by the commune PC Chairman and the local CPV branch. It has been said that such authority relationship, instead of facilitating the role of Heads of villages as the interface to gather people’s concerns and then voice them to the PC Chairman, actually tends to favor the internal line of accountability, where Heads of villages are accountable to local authorities and the CPV (Trang, 2004; UNDP, 2006). As reported by Trang (2004), village chiefs in fact operate mainly as a transmission agent, in a one-way *modus operandi*, i.e., from the local Government to villagers. Although they also provide feedback to the PC from the village, their main task is to make sure that higher level political and policy directions are adequately adopted and enforced at grassroots level.

In sum, it has been noticed that those institutions meant to represent and ensure the rights of citizens vis-à-vis state institutions have been designed and operate on the ground in such a way that “there is no one with responsibility to the people” (Government official, as cited in UNDP, 2006, p. 20). As such, the PCnls, People’s Inspection Boards and Heads of villages “are only responsible to the Party and to higher ups” (ibid).

Mass organizations as a means to structure Party-state and citizen relationships

To which extent can citizens use mass organizations to put pressure on commune PCs to make sure that PASD becomes more transparent and more responsive to their needs? Mass organizations “have been an important element of the political system in Vietnam from the early stage in the history of the socialist state” (Shanks et al., 2004, p. 36), as described in the chapter of this research related to the history of institution building in Vietnam. The Party “has used the mass organizations (...) to mobilise different sections of society (women, youth, farmers, etc.) in support of the political projects of the Party: (...) national independence and unity, socialist revolution, and, now, the transition to a socialist-oriented market economy)” (ibid).

Mass organizations are responsible for the implementation of Government policy at local level. Although they also provide feedback from the ground, they are

mainly in charge of propaganda, the organization of PCnls elections, and the selection of NA candidates. Mass organizations also play a critical role with regard to the provision of basic services to the population (Oxfam, 2003; Shanks et al., 2004; Trang, 2004).

Prior to economic reform, mass organizations were clearly defined in their role of advancing the Party policy and mobilizing people; the reform process, however, stress Shanks et al., (2004) referring to Le Bach Duong (2001), has provided them with an opportunity “to redefine their role in ways which emphasise their representative function” (p. 37). The scholars additionally report that, for example, during the discussion of the Land Law in 1993, the Farmers Organization “behaved in a corporatist fashion”, defending their interests as if they were a political and economic interest group (ibid).

While it is commonly accepted (see, for instance, CIVICUS, 2006; Fritzen 2000b; Oxfam, 2003) that, relatively speaking, mass organizations play an increasing role in policy making, there is also a clear understanding that they are not allowed to fulfill any political function on their own since they are still controlled by the Party and therefore still operate under its line of command (Trang, 2004).

Gironde et al., (2009), who have assessed the outcomes of the Vietnamese flagship program, that is, Program 135¹⁰⁹, emphasize that the role of mass organizations in the effective voicing of citizens’ preferences and complaints with regard to the implementation of the initiative in 25 communes can be considered negligible. This is explained by the fact that mass organizations tend to deal exclusively with issues that are specific to “their category of population” (Gironde et al., 2009, p. 32) - e.g., women’s unions, farmers, etc. - and are not suited for implementing programs such as PMD181, which address the entire population. Another interesting feature of how mass organizations operate at local level, points out Fritzen (2003, p. 18) referring Pairadeu (2000), is that “mass organizations vary in their effectiveness, but are typically weak”.

In order to understand how mass organizations operate at local level, accounts of the implementation of the Grassroots Democracy Decree also provide interesting insights (see, for instance, Duong, 2004; Oxfam, 2003; Trang, 2004). According to the provisions of such decree, citizens can directly or indirectly inspect or monitor the operations of local authorities through the representatives of mass organizations.

While findings across the nation are rather inconsistent, they tend to suggest, as pointed out in a report prepared by Oxfam (2003) that there is often an “unclear assignment of responsibilities to different elements of the authorities” (PC, Party, and PCnl) and mass organizations, and how these should collaborate” (p. 33).

¹⁰⁹ The Program for Socio-Economic Development in Communes Facing Extreme Hardship in Ethnic Minority and Mountainous Areas (P135-I) was first launched in 1998 with the objective of financing infrastructure and agricultural production projects in over 2400 poor communes, home of the majority of Vietnam’s ethnic minorities. P135 consists in a “block grant transfer from the central government for which decision-making discretion is delegated to district of commune PCs” (Fritzen, 2003, p. 12)

In addition, mass organizations have had an increasing role in specific areas (e.g., social management, provision of social services, etc.); nevertheless, some are “still ineffective” (Oxfam, 2003, p. 33). Furthermore, GRD had some positive impact on increasing the skills and education of local officials and mass organization members in mountainous communities; however, the “limited capacities” of mass organization leaders and members explain their limited supervisory role at the commune level (ibid).

What is more, in some areas, report Oxfam (2003), mass organizations increasingly “share responsibilities with the administrations and they voice their opinions at commune and village level” (ibid). Lastly, in relative terms, mass organizations have partially facilitated the access of citizens to the “political administration system more easily for obtaining documents and also for voicing complaints” (ibid)

Report cards

Report cards have been introduced in some provinces in Vietnam with the objective of providing citizens with a feedback mechanism on the quality of administrative services delivery (UNDP, 2006; WB, 2004d). This was a donor funded program that took place in 2004 (WB, 2004d).

The donors’ objective was to have report cards monitored by local PCnls, but the Government refused such proposal and the responsibility to manage the report cards was given to the PCs instead (UNDP, 2006). This being the case, it has been questioned whether PC Chairmen were willing to use the report cards to assess citizen satisfaction with regard to PC activities and PASD (ibid).

Moreover, such initiative did not provide any type of mechanism for citizens to receive feedback from PCs, once their opinions had been collected. The only requirement is that the village chiefs organize an annual meeting with people to discuss and gather their opinions and grievances (UNDP, 2006; WB, 2004d).

3.2.7 Indirect channels that structure Party-state and society

The media as a means to structure Party-state and citizen relationships

Another mechanism at the disposal of citizens to exert control over the Party-state in Vietnam that is discussed in this research is the media. According to Trang (2004), a media is considered to be free if “citizens can express their opinions and be informed” (p. 154). As such, it is expected that “media disseminates information concerning Government practices, which is a condition of accountability and transparency” (ibid).

In this regard, as noted by Trang (2004, p. 154) referring to Blair, the media is both “a manifestation of and a means for” the exercise of political power, since, based on the information collected via the media, citizens can decide whether to take action, either via formal or informal procedures, against state representatives.

According to Article 4 of the Vietnamese Law on Press, citizens have the right “to have access via the press, to information on all aspects of domestic and

world affairs” (Vietnamese Government official website)¹¹⁰. They should also have the right to “contact, and submit information to press offices and journalists; to send news, articles, photographs and other works to the press without being subject to censorship by any organization or individual, and to take responsibility for the law for the contact of the information submitted” (ibid). Additionally, the Law on Press grants citizens the right also to “express opinion on domestic and world affairs”; “to present views on the formation and implementation of the Party directions and policies and of the law”; and finally “to air views, criticisms, proposals, complaints and charges in the press regarding the Party and State authorities and social organizations and the members of such organizations” (ibid).

So, do the media operate according to such legal provisions in Vietnam? First of all, it is worth noting that, since economic reform, the number of media in Vietnam has increased dramatically (Trang, 2004). As noted by Heng (2001), given that the press in Vietnam no longer benefited from the financial backing of the Government, it had to find new financial revenues by covering more popular subjects, like “lifestyles and entertainment news” (p. 215).

On the other hand, it also has to be acknowledged that in Vietnam, as noted for instance by Heng (2001) or Kerkvliet (2001b), the authorities, although with great caution and moderation, have allowed the media to cover highly sensitive topics, such as corruption and bureaucratic mismanagement.

Having said that, and despite these changes, the Party-state still manages all media “under tight control” (Trang, 2004, p. 154) and, as noted by Kerkvliet (2001b, p. 251) “rules against unauthorized outlets of media are rarely breached and when they are, the law enforcement agencies respond quickly to stop the infraction and often punish violators”.

Heng (2001) has identified the several characteristics of the media system in socialist countries that can also be applied to Vietnam: first of all, the Party has a “decisive role in staffing, particularly the senior positions” (p. 214). Secondly, the Party-state controls and actively manages the coverage of “ideological, political, and organizational matters” (ibid). Finally, “editors not only have to be Party members but sometimes swap positions with officials from media-regulatory bodies. In this way, the Party alternates the practitioners with the custodians, an interlocking of pare/and media careers which compromises autonomy and obfuscates the media's role as a watchdog on public issues” (p. 225)

Although the media in Vietnam has “moved away from the old doctrinaire jargon and bland propaganda that was the official requirement” before Do Moi, (Heng, 2001, p. 215), the strategy of the regime still reflects the idea that the media is an instrument of power and as such it must be used to control information related to societal issues that are potentially destabilizing for the regime (e.g., corruption in state institutions). As noted by Heng (2001), in the eyes of the Party, media needs to benefit from “some leeway as a public watchdog, but it must also continue to be kept subservient to the VCP” so as to “boost the

¹¹⁰ Retrieved on 24 February 2012 from http://www.cov.gov.vn/cbqen/index.php?option=com_content&view=article&id=606&Itemid=75

regime's flagging legitimacy with a Vietnamese public weary of official incompetence and corruption" (p. 215).

It is within such framework that the press has been encouraged in the last ten years to expose facts about corruption. While, historically speaking, such matters were considered as the "most politically sensitive areas of journalism" (Heng, 2001, p. 215), more recently the Party has been using the media and the press as a "watchdog" (Shanks et al., 2004, p. 46) over the mismanagement and abusive behaviors of state officials.

However, as stressed by Heng (2001), the Party does not necessarily encourage journalists pro-actively to investigate issues of corruption, especially when it concerns "powerful patrons among senior Party leaders" (p. 232); such issues remain silent and not discussed in any way until the reaction of the public *gets too loud*. At that moment, massive media coverage carefully orchestrated by State institutions is triggered and the offenders identified and politically destroyed, at least rhetorically (Fritzen, 2002; Trang, 2004).

The massive media coverage of events in Thai Binh is a good example of this strategy: the media has extensively reported problems, relating to corrupt local officials, that occurred in the province from the moment that the news was made known across the nation (Fritzen, 2002). Secondly, the media presented the facts in such a way as to show that corruption concerns only "one of a few bad apples in the Party (as opposed to being widespread), and that most of the bad apples were to be found in various tiers of local Governments - as opposed to the center" (p. 8).

While the description of the media system reported above may recall the first interpretation model of state-society relationships in Vietnam, identified by Kerkvliet (2001b) as *dominating state*, it is important to stress that the Party-state is not a uniform political entity with a unified interest and agenda. On the contrary, the state needs be considered as arenas of power struggles and antagonist interests (see, for instance, Knight, 1992; Migdal 2001; Migdal et al., 1997; Moe, 2005). As illustrated by Heng's case studies reported in his article, state bodies may also disagree with each other concerning how much room of maneuver should be granted to journalists to cover societal issues. In such spirit, state-society relationships entail some aspects of the third interpretative model that is *dialogical interpretation*. Again, this should not be a surprise since state bodies also compete against each other in order to set the *rules of the game*.

As for Vietnam, while several actors may negotiate among each other in order to assert their power in given political areas and set the limits of what is possible, when and how (Jayasuriya & Rodan, 2007, p. 775), all these actors come from the Party-state realm; the *rules of the game* are, in fact, still decided within the Party-state institutions with negligible influence from non-state structures (Shanks et al., 2004).

Interesting for this research are studies conducted at local level. Trang (2004, p. 157) reports that in 2001 in some localities in the country, up to 38% of households did not have access to television and, especially in poor and remote areas, "have limited access to media" (ibid).

Local cadres, in contrast, have easier access than villagers to newspapers and

television sets, and this because of a Government program that aimed at facilitating the diffusion of official information and Government policies at grass roots level (Trang, 2004). For example, in a commune where Trang has carried out research, it appears that the commune received 12 television sets; “one was kept in the office of the Commune PC Chairman, while the rest were appropriated by local cadres for private use” (p. 157). The scholar points out that this creates a situation where only cadres are informed about Government programs; as such, they are the only ones in the commune that can look for the incentives granted by these Government initiatives.

Also important is the fact that the media addresses “a national and provincial audience, with little or no coverage” of commune issues (Trang, 2004, p. 157). Local broadcasters, moreover, “lacks the skills and financial resources” to address local issues (ibid).

Trang (2004) concludes her research on local media by saying that villagers are in general “reactive” (p. 157) - as opposed to proactive - to access to information and this is a “legacy of the cooperative period” (ibid), when information was a one-way flow, from authorities to residents.

According to Trang, “the differentiated access to information and knowledge reinforces an unequal power relation between local people and cadres” (p. 158): not familiar with the various media, villagers often remain unaware of their rights and do not know how to take advantage of them to voice their complaints and their needs. Villagers, in such context, are also “unlikely to respond to central Government efforts to inform them on anything, including local governance” (ibid).

Civil society in Vietnam as a means to structure Party-state and citizen relationships

Discussing civil society in Vietnam implies examining what civil society means in a socialist democracy such as Vietnam.

As pointed out by the CIVICUS (2006) report, “the concept of civil society barely exists in Vietnam (and the existence of a clear definition even less so)” (p. 31). This concept “has a negative connotation and until recently was considered a sensitive term” (p. 32). The reluctance to use the concept of civil society, notes the CIVICUS report, should be explained because of the role played by these movements in overthrowing Eastern European governments in the late 1980s.

Authors have tried to develop a typology that best captures what civil society is about in Vietnam. Wishermann and Vinh (2003, p. 186) advance the concept of “civic organizations”, while Vasavakul (2003) suggests defining Vietnamese civil society organizations as “popular organizations” (p. 26). It is important to stress that, regardless of the definition, “determining how independent or not [civil society organizations] are of the state (...) is difficult”, given that “they are somewhere between the state-sponsored mass-organizations and the ones tenuously linked to the state” (Kerkvliet, 2003, p. 7).

Civic organizations in Vietnam can be clustered in four broad categories (Wishermann & Vinh, 2003): mass organizations – although attached to the Party, professional associations, business associations, and issue-oriented associations (research centres, development and social work groups, religious

associations, etc.). Similarly, Norlund (2007, p. 14) proposes categorizing popular organizations into: “mass organizations, professional associations and umbrella organizations, Vietnamese NGOs, and community-based organizations”.

Kerkvliet et al., (2008), referring to the work of Hoang Ngoc Giao (2007), estimate that there are over 300 organizations that operate at national level, while 2'000 of them work “at provincial levels, and tens of thousands at lower levels” (p. i). As reported by the CIVICUS study (2006), “74% [of Vietnamese citizens] are members of at least one organization; 62% are members of more than one [civil society organization], and, on average, each citizen is a member of 2.3” organizations (p. 10).

CIVICUS (2006) reports that in spite of the much greater number and variety of organizations in the last 10 to 15 years, political and legal “conditions for forming organisations are not enabling” (p. 10). Kerkvliet et al., (2008), mentioning the same study, point out that “civil society has the most impact on citizen awareness through informing and educating community residents, empowering women, and supporting people’s livelihoods” (p. 55). However, “the biggest weakness of civil society in Vietnam is its modest impact on public policy issues - such as human rights, social policy and national budgeting - and on holding the state and private sector accountable” (ibid).

As pointed out by Kerkvliet et al., (2008), who draws a general conclusion of recent studies conducted in Vietnam, the impact “is modest at the national level – especially regarding policy-making, channeling citizens’ views, and holding authorities accountable” (p. 50). Nevertheless, their impact is “somewhat more substantial at sub-national levels, not so much on policy, but on conveying local residents’ concerns, providing services, and monitoring authorities’ behaviour” (ibid).

What is important here to stress is the fact that while popular participation in social groups is extensive, Vietnamese civil society should not be considered as an alternative political force independent of the Party-state (Shanks et al., 2004); the Party in fact has “not been supportive of the organizational expression of collective identity and interest outside the framework of the Party” (p. xiv).

As stressed by (Kerkvliet, 2003), social organizations in Vietnam are not political. In this sense, the author (2003) lists a number of matters that cannot be part of the statutory mandate of Vietnamese social organizations: those that “directly criticize high level Communist Party leaders, Government officials, military officers, questioning the single-party political system, objecting to how elections are organized and rules, challenging the monopoly that state agencies have on media and appearing to state authorities to be opposed to the present political regime” (p. 16). If civil organizations venture into such areas, stresses the scholar, then “authorities subject them to intimidation, concision, if not imprisonment” (ibid).

What is important for this research is to understand to which extent civil organizations in Vietnam can operate as an effective mechanism to allow citizens to influence the commune governance process, and, more precisely, to put pressure on PC Chairmen to adopt PMD181 according to the provisions of law.

In order to respond to this question, it is important to remember that NGO and grassroots organizations (those that operate at commune level) in Vietnam are purpose driven (e.g., improving living conditions of ethnic minorities, credit programs, etc.) and in no way are they functionally meant to operate as a political interface between local officials and citizens.

Secondly, as pointed out by the CIVICUS Report (2006), civil associations that are supportive of citizens' "non-partisan political action, such as writing a letter to a newspaper, signing a petition or attending demonstrations" (p. 42) are practically non-existent in Vietnam.

Finally, structural deficiencies and problems identified at grassroots level, especially in rural areas (i.e., low level of education and technical skills of leaders and members of mass organizations, etc.) also tend to influence the capacity and aptitude of commune level civil organizations to engage with local officials.

3.2.8 Conclusion: how institutional arrangements favor particular stakeholders

The first point that needs to be stressed is that governance arrangements at commune level clearly indicate the PC Chairman as the dominant leader. Trang (2004) has termed this situation as "individual authoritarianism" (p. 154).

It can also be added that substantive relations between Party-state bodies allow CPV cells to exert extended control over all commune operations. Furthermore, power within Party-state bodies is structured in hierarchical terms; the PC is the most powerful institution, followed by the VFF and CPV cell, then the PCnl, and finally the Head of the village, and the mass organization. This communal system of governance is also characterized by the fact that, to a very large extent, Party-state bodies tend to function autonomously vis-à-vis the external environment, that is, society and upper level State institutions (see, for instance, Koh, 2001b).

A second element that deserves to be pointed out is that the analysis of the system of governance at commune level is also informative about the nature and type of citizen inclusion in the governance process. So, what can be said with regard to the capacity of citizens to influence the governance process at commune level in a political setting that is dominated by the Executive?

As previously mentioned, the Vietnamese political regime is characterized by what Rodan & Jayasuriya (2007) have qualified as an "administrative mode of political participation" (p. 796). Channels of state-society interaction have been designed with the objective of disciplining bureaucrats, but not political representatives (i.e., there is no "free" election of members of the PCnl and PC), and this has the objective of avoiding destabilizing the current political power balance (political monopoly of the CPV).

Thirdly, state-society mechanisms do not support the mobilization of collective action (see, for instance, the Law on Complaints and Denunciations) given that citizen contestation can be expressed only at the individual level.

Finally, an analysis of the governance system (*de jure* and *de facto*) allows for adding an additional dimension to qualify state-society relationships in Vietnam

at commune level. Arnsteing's (1969) ladder of participation proposes three main categories to qualify citizen participation: non-participation, tokenism, and citizen power. A close look at Party-state and society relationships at commune level reveals that the type of citizen participation concerned is tokenism, namely:

- Citizens have been granted some rights and responsibilities, but the governance process is a one-way direction, from the Party-state to citizens, with very limited channels provided for power negotiation;
- Citizens are consulted over given issues, but there is no effective mechanism that ensures that their inputs influence the communal governance process;
- Citizens' representatives are invited onto decision-making and supervisory bodies, but instead of being accountable to villagers, they are accountable to Party-state organs.

So, based on OSS primary data and the analysis of Party-state and society relationships at commune level, which interpretation advanced by Kerkvliet best captures current state-society relationships at commune level in Vietnam (the dominant model¹¹¹, the *mobilization authoritarianism* model¹¹² or the *dialogue* model¹¹³)?

Since at commune level the state-society power balance is clearly in favor of Party-state institutions and other groups in society have little or no influence on the governance process, the interpretation that best captures the relationship is that of the dominant model. More precisely, the system of communal governance has been designed and operates in such a way that power is concentrated in the hands of the Head of the PC, leaving practically no opportunity for citizens to influence governance related affairs.

3.3 Second source of stakeholders' institutional power: administrative-, organizational-, and legal arrangements

Given that the intent is to qualify the relative institutional power balance binding the various PMD181 stakeholders, I now turn to the second element that determines stakeholders' institutional power considered in this research, which is the administrative-, organizational-, and legal environments within which the initiative has been designed, adopted, and implemented.

¹¹¹ The "dominating state" (Kerkvliet, 2001b, p. 241), that focuses on the idea that the Communist Party plays the dominant role in the political system and policy;

¹¹² The "mobilization authoritarianism" (p. 242) model, which emphasizes the role of organizations dominated by the state to mobilize support for "its programs and policies, maintain channels of communication between authorities and each sector of society, and manage social and economic groups that otherwise might become unruly" (pp. 242-243)

¹¹³ The "dialogue" model (p. 244), which acknowledges that central state and central CPV "powers are far more limited than rhetoric would suggest" (Shanks et al., 2004, p. 35) and regional and local forces succeed in adapting central level programs, policies, and guidelines according to their needs and agendas

Scholars who have carried out research in the realm of public administration and institutional change literature inform us that such set ups, in fact, provide opportunities and constraints to actors to maneuver within the governance context so as to have their interests vis-à-vis a given policy (i.e., OSS program) prevail over others (Abuza, 2001; Fforde, 2003; Fritzen, 2002). Administrative-, organizational-, and legal characteristics need, therefore, to be considered in order to complement the institutional analysis of local power balance.

According to the literature and personal observations corroborated by primary data, such set ups feature the following main characteristics. First of all, there is an insufficiently clear “division of tasks between central and local Government units and among local Government units themselves” (Fforde, 2003, p. 5); this is coupled with the fact that there is also an insufficient coordination between line agencies, and between them and the PCs (*ibid*). This has also been confirmed by primary data.

There are also limited accountability mechanisms related to policy outcomes since (Fritzen, 2003, p. 16) “there are few performance measures for which [implementing] agencies are held accountable”. This has also been confirmed by primary data.

Literature also points out that the monitoring system to monitor and evaluate lower level operations is inadequate (Fritzen, 2003; Gironde et al., 2009; Oxfam, 2003). There exists a lack of expertise in project management methodologies and inadequate tools (Fritzen, 2003; Gironde et al., 2009).

Furthermore, owing to the legacy of the planning system, there is a general preference by upper level authorities for “quantifiable inputs that are centrally planned” (Fritzen, 2003, p. 16) and less commitment to monitoring lower level decision-making procedures. This has also been confirmed by primary data.

There is also a “marked distrust of the lower-level technical capacities” (Fritzen, 2003, p. 16) to implement policies and Government instructions accordingly, in line with the “overall socio-economic blueprint” (*ibid*); (also confirmed by primary data). Along the same line, district level officials tend to consider lower level cadres as not having sufficient knowledge and skill to implement Government policies; likewise, commune officials tend to consider district authorities as nothing more than intermediaries between them and provincial authorities. This has also been confirmed by primary data.

There are ambiguous or insufficiently clear policy guidelines, as pointed out by Fritzen (2006), which allow scope for a great deal of interpretation and room for adaptation during the implementation phase at lower levels. The administrative structure is one of “organizational network decentralization” in which “policies are formulated with deliberate ambiguity to preserve the appearance of unity and to boost Party insiders who may give definitive interpretation” (p. 6).

As for the legal framework, literature points out that the legal system is inadequate, “overlapping, and contradictory in content” (The Asia Foundation, 2009, p. 3). Laws are issued by organs “without power over the matter and there is a lack of compatibility and consistency between sub-laws, administrative documents, laws, and the Constitution” (*ibid*). In such context, “the implementation of laws produces many contradictions”, in most cases

“damaging the rights and interests of citizens” (ibid)¹¹⁴.

Concerning financial resources, it has been observed that at local level they are “not appropriate to the tasks assigned to local administrative units and this is especially the case with the commune level” (Fforde, 2003, p. 5). This has also been confirmed by primary data. Fund allocation is also a problem since it is unpredictable¹¹⁵: This is known as the “beg-give” process (Fritzen, 2006, p. 6), between lower and higher level authorities. A major problem with this system is that “when central disbursements fail to meet the salary and maintenance bills of local operating units”, local officials impose new taxes, fees, levies, and contributions on local people to cover central Government budget shortfalls (Painter, 2003a, p. 265).

As for the civil service recruitment procedure, as previously mentioned, this tends to be based on patronage (see, for instance, Koh, 2004a), where most cadres’ positions are held by CPV members. Albeit progress in terms of more transparency has been made, career opportunities are still not based on meritocracy, nor is entry to the civil service based on an objective examination system (WB, 2009, pp. 16-19)¹¹⁶.

Finally, cadres, especially at local level, consider themselves as being indispensable to the activities of the local population, while considering the villagers incapable of taking the right decisions (Fritzen, 2003; Gironde et al., 2009). Moreover, there is a general perception among local officials that people are ignorant of their real needs with regard to development projects. As stated

¹¹⁴ The Asia Foundation (2009, p. 7): “current mechanism to check, supervise, and evaluate the legitimate and constitutional nature of legal normative documents [in Vietnam] relies on the principle that the issuing authority shall be responsible for checking and reviewing the legitimacy of its own documents”. As such, “the Court, as a professional adjudication body, is not assigned the power to interpret, review, and evaluate the legitimate and constitutional nature of normative legal documents (p. 8). Nor “there is a provision allowing citizens the right to ask for a review or an assessment of the legality of normative legal documents” (ibid)

¹¹⁵ The budget process in Vietnam can be summarized as such (UNDP, 2006, p. 15): “communes prepare financial plans to submit to the district. The district considers these submissions and incorporates them into the district budget for approval by the province. The provincial budget plan is then submitted upward to the Ministry of Finance and Ministry of Planning and Investment. These ministries submit the national budget to the government and NA for endorsement and approval. Once the NA and government approve the budget, communes, districts and provinces find out how much of their budget request has been confirmed”

¹¹⁶ Based on informal discussion that I have had with Vietnamese civil servants, being a member of the CPV is a condition to access to positions with responsibilities. I was also told by an assistant professor at the University of Hanoi, Foreign Languages Department, that being married to a foreigner is a “deal breaker” for a career not only in the Party and in the administration, but also in Vietnamese universities.

by Gironde et al., (2009, p. 6), local authorities are in general convinced that they are “well aware of the general population’s priority needs and better qualified than the population to select projects”.

3.3.1 Conclusion: how the administrative-, organizational-, and legal environments favor particular stakeholders

As informed by primary and secondary data, the administrative-, organizational-, and legal environment is characterized by an unclear division of tasks and unclear responsibilities within the Party-state machinery, as well as poor coordination between state agencies. Accountability relations are very weak, performance measures underdeveloped, and monitoring and evaluation systems inadequate. Commitment to monitoring lower level decision-making procedures is weak and upper level authorities tend to distrust lower level capacities. Finally, the legal framework is inadequate, overlapping, and contradictory in content.

Under such conditions, the characteristics of the administrative-, organizational-, and legal environment tend to support the evidence that local executive bodies operate “as self-contained bureaucratic empires” (Painter, 2003a, p. 266), where neither state agencies nor citizens can exert any form of effective control over them.

3.4 Third source of stakeholders’ institutional power : PMD181 policy content

After presenting the first two sources of institutional power of commune level stakeholders (i.e., the institutional set up – *de jure* and *de facto* - and the administrative-, organizationa-l, and legal environments), I now turn to the third source of institutional power, which is PMD181 policy content.

In line with literature (see, for instance, Fritzen, 2000b; Grindle & Thomas, 1989, 1991; Thomas & Grindle, 1990), the content of a policy provides incentives, constraints, and opportunities to stakeholders to maneuver in the governance setting in such a way as to have their interests prevail over others, and as such it is constitutive of the actors’ power resource.

As for PMD181, firstly it is meant to enhance CPV legitimacy by infusing good governance principles at local level in such a way so as not to affect power relations between the CPV and citizens. The strategy reflects the imperative to enhance the transparency, responsiveness, and accountability of officials so that they behave according to their administrative mandate, but without challenging bureaucrats and local Party members, who support the CPV: these are, in fact, both the implementation body of Party policies and its main political power bases. As such, the initiative aims at framing political contestation and participation in administrative terms.

Secondly, the initiative also carefully reflects the interests of multiple stakeholders, directly or indirectly under the control of the Party and is also in line with the principle of not creating “losers” (CGD, 2008, p. 28) within the state institutions.

Finally, PMD181 has also been designed following the idea that “policies are formulated with deliberate ambiguity to preserve the appearance of unity”

(Fritzen, 2006, p. 6). Considering the “lack of supervision”, local implementers thus enjoy an implementation power that is basically “unchecked” (Koh, 2004a, p. 218), allowing them to adapt policies according to their will.

So, how have these political concerns been translated into the OSS initiative? Furthermore, what are the consequences of PMD181 content? The initiative presents the following characteristics:

First of all, it allows multiple modes of service delivery. The mechanism prescribed in PMD181 and OSS guidelines is sufficiently flexible to allow local authorities to define the most suitable mode of services delivery based on “the practical situation in (...) the localities” (art. 5, PMD181). While this approach intends to be respectful of local specific needs, it nevertheless basically allows local cadres to basically “do what they want” (interview with MoHA official).

Secondly, implementation responsibilities are “somewhat blurred” (Fritzen, 2003). According to PMD181 (art. 3) “The ministers, the heads of the ministerial-level agencies, the heads of the agencies attached to the Government and the presidents of the People's Committees of the provinces and centrally-run cities” are all responsible for the implementation of OSS. In addition to blurring implementation responsibilities, the Decision opens the door to potential disputes between state agencies that may have competing interests vis-à-vis the program.

As for monitoring of implementation, PMD 181 states that the Ministry of Home Affairs is the institutional body responsible vis-à-vis the Government for the monitoring and the implementation of the program nationwide (art. 13). At local level, on the contrary, things are not clear since no local body has been designated the responsibility of monitoring its proper adoption.

OSS policy documents also do not provide clear timelines and planning for OSS adoption. The Decision states that local implementation of OSS has to start from January 2004 at provincial and district level, and from January 2005 at commune level. The document does not specify, however, any deadline to have the mechanism operational.

PMD181 lacks, too, the enabling incentives to ensure its correct implementation. No system of punishment and sanction nor a system of reward exists to support its implementation.

There exists an incoherence of the mechanism of the dual subordination system. According to legal prescription¹¹⁷, line agencies have to work according to the “single-boss” regime (i.e., under the command of the local PC Chairman). No clear explanation is given on how this regime has to be articulated with the principle of the dual accountability system with regard to OSS operations.

There also exists an incoherence of operational responsibilities. According to PMD 181, operational responsibility of OSS falls under the local PC Chairman. However, legally speaking, a PC Chairman does not have any power over administrative procedures, which are under the competence of central agencies

¹¹⁷ Decree No. 172/2004/ND-CP of September 29, 2004, prescribing the organization of the professional agencies under PCs of the rural and urban districts as well as provincial capitals and cities

(Government and ministries).

There is no supervisory agency. While PMD181 prescribes that the operational responsibility of OSS falls under the local PC Chairman, it is not clear whether the supervision of OSS operations is ensured by local PCNs, line ministry offices, or other state agencies. Equally, a system to monitor OSS outcomes is absent. Indicators concerning OSS performance are, at best, locally collected by functional officers, but there are no instructions on how to control the quality of the service provided.

Moreover, no instructions have been given to local officials on how to manage citizens' complaints and denunciations concerning OSS affairs; no obligations for local officials to inform citizens on how to lodge a complaint related to OSS operations. Instructions on how to notify citizens of a delay in the delivery of the service requested are not clear. According to PMD181, if services are not delivered within the allotted time limit, officials have to notify the citizens concerned of the reasons. However, no guidelines and instructions are given in this regard.

Also absent are instructions concerning how to consult citizens with regard to the improvement of services delivery. According to OSS guidelines, local officials are expected systematically to improve the performance of the delivery mechanism via regular consultation with customers. However, no instructions are given in this regard.

OSS guidelines are also not clear with regard to how to carry out information and dissemination campaigns. While it is expected that in the locality local officials disseminate information on how the OSS operates (e.g., services provided, opening hours, etc.), no instructions are given in this regard.

Prescriptions regarding the information that must be posted on the information boards for the use of citizens are insufficient. Such prescriptions can be found in other legal documents (e.g., Grassroots Democracy Decree), but are nowhere to be found in the PMD181.

Finally, the fund allocation for OSS is unpredictable. For those localities that cannot recover OSS costs on their own, PMD181 decision stipulates that funds have to come from upper level agencies (State budget) and shall be included in the standard budgetary process, which is far from being efficient and effective.

3.4.1 Conclusion: how policy characteristics favor particular stakeholders

The policy characteristics of OSS indicate that the initiative does not provide clear implementation, execution, and monitoring responsibilities; roles are not clearly specified, timelines are fuzzy, deadlines simply not defined, and funding is unpredictable. It is also not clear how the delivery mechanism has to be articulated with the principle of dual accountability.

Under such conditions, OSS provides extensive room for ambiguity, which, considering the lack of supervision, local level officials can adapt according to their strategic interests.

3.5 Assessment of stakeholders' power to influence

commune level governance processes

This next section aims at assessing the power of stakeholders in influencing governance processes at commune level. In order to facilitate the presentation of the finding, power is assessed using qualitative and quantitative methods.

With the objective of estimating the relative institutional power of each stakeholder to influence OSS initiative outcomes at commune level, I have weighted their power according to the following scale: *very low*, *relatively low*; *relatively high*; *very high*. Concretely speaking, *very low* means that, compared with others stakeholders, a given stakeholder has very limited power to influence the governance process at commune level.

Defining a level of power implies a normative judgment (see section concerning the construction of OSSPI). As literature advises (WB, 2004c), the best way to proceed is to keep things simple and to define the content of the variable power based on the literature (see previous sections) and the weight based on empirical observations (i.e., my personal observations, collected while gathering primary data on OSS outcomes).

The level of power of each stakeholder is a composite measure that is composed of the three main elements identified in the previous sections, constitutive of an actor's power at commune level. These are: (i) the institutional and governance arrangements (how institutions operate *de jure* and *de facto*); (ii) the administrative-, organizational-, and legal contexts within which stakeholders operate; and (iii) PMD181 characteristics.

Table 43: Stakeholders' power at commune level

Stakeholder	Constitutive elements of stakeholders' power at commune level granted by:			Level of power (Low, relatively low; relatively high; high)
	Institutional configuration and governance arrangements	Organizational, administrative and legal contexts	PMD181 content	
Citizens (OSS clients)	<ul style="list-style-type: none"> ▪ Low level of education, low level of familiarity with administrative matters, low level of awareness with regard to governance processes and political rights (especially in remote areas) ▪ The political culture tends to support a subordination posture of citizens vis-à-vis authorities; form of resignation among citizens with regard to their capacity to influence the governance process ▪ Ineffective direct horizontal mechanisms to influence the governance process (i.e., ensure that the PC Chairman effectively complies with PMD181 provisions). See, for instance, the ineffectiveness/weakness of the: <ul style="list-style-type: none"> - Grassroots democracy framework, 	<ul style="list-style-type: none"> ▪ Due to relatively incoherent and fuzzy administrative, organizational, and legal environments, low opportunity to hold Party-state officials accountable 	<ul style="list-style-type: none"> ▪ No <i>ad hoc</i> mechanisms provided by PMD181 to pressure PC and functional sections to operate according to PMD181 ▪ No clear OSS implementation and operation guidelines and responsibilities that can be used as a baseline to hold commune officials accountable for the implementation, operation and performance of OSS 	Low

Stakeholder	Constitutive elements of stakeholders' power at commune level granted by:			Level of power (Low, relatively low; relatively high; high)
	Institutional configuration and governance arrangements	Organizational, administrative and legal contexts	PMD181 content	
	<p>vote of confidence</p> <ul style="list-style-type: none"> - Law on Complaints and Denunciations - Justice system (“the fox is guarding the henhouse”) - Mass organizations - Media, civil society ▪ Mechanisms that include citizens in the governance process are: <ul style="list-style-type: none"> - Technocratic (discipline bureaucrats but not Party officials) - Individual (no collective action allowed) - Of the tokenism type (no mechanisms that ensure that citizen inputs influence governance process) 			
Commune People's Committees (PCs)	<ul style="list-style-type: none"> ▪ Leading state body of the Party-state apparatus ▪ Operate with low institutional constraints (internal and external checks-and-balances) ▪ PC Chairman selected among PCnl 	<ul style="list-style-type: none"> ▪ Large room of maneuver to implement policy according to their specific local features 	<ul style="list-style-type: none"> ▪ Overall responsibility over OSS operations ▪ Receives clients' petitions related to OSS mechanism (Law on Complaints and Denunciations) 	High

Stakeholder	Constitutive elements of stakeholders' power at commune level granted by:			Level of power (Low, relatively low; relatively high; high)
	Institutional configuration and governance arrangements	Organizational, administrative and legal contexts	PMD181 content	
	<p>members, approved by CPV and higher level Party-state organs</p> <ul style="list-style-type: none"> ▪ Vote of confidence open only to VFF affiliated organizations ▪ Operate under political leadership of the Party (CPV selects VFF, which approves PCnl candidates, who appoint PC Chairman. Vice Chairman is Secretary of CPV cell) 		<ul style="list-style-type: none"> ▪ Responsible for settling complaints and denunciations related to OSS mechanism (first-level adjudication body) ▪ The only Party-state body that has at its disposal the technical knowledge to ensure that OSS operations are performed according to legal provisions (service fees, service delivery times lines, validate functional offices decisions, etc.) 	
Functional officers (commune level bureaucrats)	<ul style="list-style-type: none"> ▪ They are a constitutive body of the Party-state apparatus ▪ Officials and cadres selected by the PC Chairman (their salary is also paid by PC) ▪ Blurred accountability mechanisms (dual accountability system) allow them to operate in a context that does not favor external oversight and control 	<p>Overall context does not favor checks-and-balances, since it features:</p> <ul style="list-style-type: none"> ▪ Insufficient clear division of tasks between upper level and commune authorities ▪ Insufficient accountability mechanisms linked to policy outcomes at commune level 	<ul style="list-style-type: none"> ▪ Operate under the responsibility of PC Chairman ▪ Operate in a situation of monopoly with regard to PASD ▪ Operate in a situation of monopoly with regard to the technical knowledge 	Relatively high

Stakeholder	Constitutive elements of stakeholders' power at commune level granted by:			Level of power (Low, relatively low; relatively high; high)
	Institutional configuration and governance arrangements	Organizational, administrative and legal contexts	PMD181 content	
		<p>(difficult to overcome lack of engagement of commune cadres)</p> <ul style="list-style-type: none"> ▪ Low level of commitment to monitoring commune level policy outcomes ▪ Inconsistent and overlapping legal framework ▪ Low level and unpredictable financial resources ▪ Lack of adequate monitoring tools and methodologies 	<p>concerning how to process clients' applications (bureaucratic power)</p>	
Commune People's Councils (PCnls)	<ul style="list-style-type: none"> ▪ Constitutive body of the Party-state apparatus ▪ Operate under political leadership of the Party ▪ Candidates selected by VFF, that also controls their election ▪ Vote of confidence open only to VFF affiliated organizations ▪ Lack of institutional resources to exert effective control over PC operations 	<ul style="list-style-type: none"> ▪ Low level of technical knowledge to effectively control PC operations and functional officers 	<ul style="list-style-type: none"> ▪ No specific formal tasks assigned to commune PCnls 	Relatively low

Stakeholder	Constitutive elements of stakeholders' power at commune level granted by:			Level of power (Low, relatively low; relatively high; high)
	Institutional configuration and governance arrangements	Organizational, administrative and legal contexts	PMD181 content	
Commune Vietnamese Fatherland Front (VFF)	<ul style="list-style-type: none"> ▪ Constitutive body of the Party-state apparatus ▪ Operate under political leadership of the Party ▪ Exert control over PCnls and PCs (they report to VFF, vote of confidence) ▪ Select PCnls candidates and organize their elections ▪ Select PC Chairman (since PC Chairman is selected from among PCnls members) ▪ Lead commune mass organizations 	<ul style="list-style-type: none"> ▪ Low level of technical knowledge to effectively control PC operations and functional officers 	<ul style="list-style-type: none"> ▪ No specific formal tasks assigned to mass organizations 	Relatively high
Local mass organizations (ex VFF)	<ul style="list-style-type: none"> ▪ Constitutive body of the Party-state apparatus ▪ Operate under political leadership of the Party and operational leadership of VFF ▪ Deal uniquely with issues that are specific to their category of population ▪ Do not have at their disposal any direct formal mechanisms to influence governance process 	<ul style="list-style-type: none"> ▪ Low level of technical knowledge to effectively control PC operations and functional officers 	<ul style="list-style-type: none"> ▪ No specific formal tasks assigned to mass organizations 	Low

Stakeholder	Constitutive elements of stakeholders' power at commune level granted by:			Level of power (Low, relatively low; relatively high; high)
	Institutional configuration and governance arrangements	Organizational, administrative and legal contexts	PMD181 content	
Upper level authorities and line agencies	<ul style="list-style-type: none"> ▪ Constitutive body of the Party-state apparatus ▪ Blurred accountability mechanisms (dual accountability system): difficult for them to exert effective control over commune level administrative cadres 	<p>Capability to control commune level cadres weakened by the fact that there are:</p> <ul style="list-style-type: none"> ▪ Relatively unclear division of tasks between upper level and commune authorities, making it hard to exert adequate control over commune officials ▪ Insufficient accountability mechanisms linked to policy outcomes at commune level (difficult to overcome lack of engagement of commune cadres) ▪ Low level of commitment to monitor policy outcomes at commune level ▪ Lack of adequate monitoring methodologies and tools 	<ul style="list-style-type: none"> ▪ Share responsibility for the implementation of OSS (e.g., assess training needs, streamline procedures, uniform legal material, etc.) ▪ Ministry of Home Affairs: responsible for coordinating, providing guidance and monitoring OSS implementation 	Relatively low
Commune CPV cells	<ul style="list-style-type: none"> ▪ Constitutive body of the Party-state apparatus ▪ Formally and informally, indirectly control commune operations and lead, 		<ul style="list-style-type: none"> ▪ No specific tasks assigned to commune CPV cell 	High

Stakeholder	Constitutive elements of stakeholders' power at commune level granted by:			Level of power (Low, relatively low; relatively high; high)
	Institutional configuration and governance arrangements	Organizational, administrative and legal contexts	PMD181 content	
	<p>politically and ideologically, commune Party-state institutions</p> <ul style="list-style-type: none"> ▪ Weak CPV vertical and internal accountability system to monitor Party cell operations. ▪ Weak mechanisms to enforce central CPV decisions at grassroots level 			
The Government and central level CPV	<ul style="list-style-type: none"> ▪ Leading constitutive body of the Party-state apparatus at central level ▪ Formally speaking, have authority over all levels of Party-state apparatus ▪ Relatively limited capacity to control commune level Party-state organizations (PC, PCnl, CPV, VFF) 	<ul style="list-style-type: none"> ▪ As per upper level authorities 	<ul style="list-style-type: none"> ▪ Institutional and political sponsor of OSS initiative ▪ Initiators of the OSS initiative 	Relatively high

Source: primary and secondary data

In order to attempt to measure the power of commune stakeholders simply and clearly, I have associated the qualitative weight to a quantitative measure. Such approach, methodologically speaking, has been tested and proven to be rigorous (see, for instance, WB, 2004c). The objective is not to perform any kind of statistical correlation; the purpose is to simplify complex issues into simple elements in order to facilitate analysis and interpretation of data.

Table 44: Qualitative and quantitative weight of stakeholders’ power to influence commune level governance process

No.	Qualitative measure	Quantitative weight
1	High level of power	4
2	Relatively high level of power	3
3	Relatively low level of power	2
4	Low level of power	1

Source: my own representation

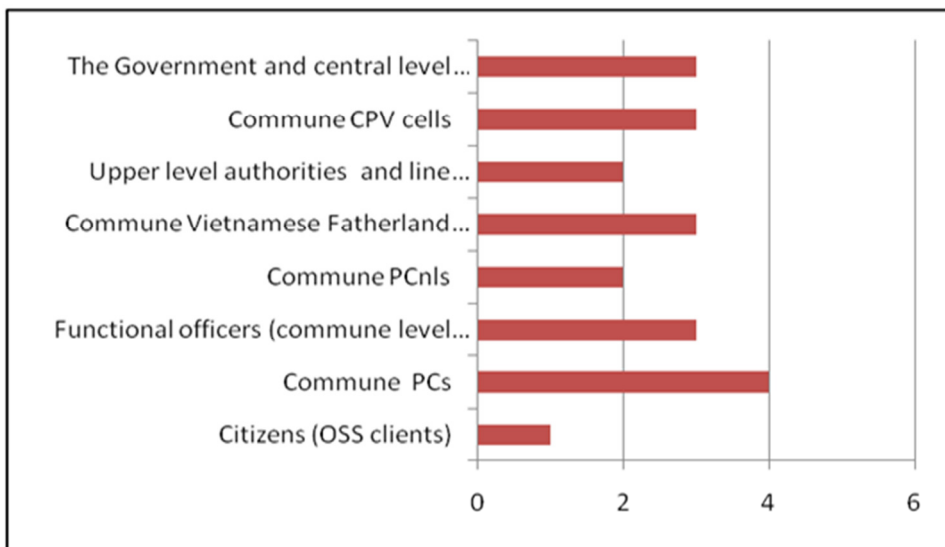
Based on such estimation, commune stakeholder power is:

Table 45: Quantitative weight of stakeholders’ power to influence commune level governance process

No.	OSS stakeholder	Stakeholders’ level of power at commune level: <ul style="list-style-type: none"> - Institutional configuration and governance arrangements - Organizational, administrative, and legal contexts - PMD181 content
1	Citizens (OSS clients)	1
2	Commune PCs	4
3	Functional officers (commune level bureaucrats)	3
4	Commune PCnls	2
5	Commune VFF (VFF)	3
6	Upper level authorities and line agencies	2
7	Commune CPV cells	3
8	The Government and central level CPV	3

Source: my own representation

Table 46: Assessment of OSS stakeholders’ institutional power



Source: my own representation

As indicated in the chart, the most powerful stakeholder capable of influencing the governance process at commune level is the commune PC. We then find, in descending order, from the more powerful to the less powerful: the central level CPV, the commune CPV cell, the commune VFF, and local bureaucrats. Upper level authorities and PC Councils are among the less powerful of the Party-state actors. Not surprisingly, citizens are those with the least power to affect policy governance related issues at commune level.

3.5.1 Stakeholders’ strategic interests vis-à-vis the OSS program

In order to continue the analysis of the variables that explain OSS outcomes on the ground, I now turn to a description of stakeholders’ strategic interests with regard to the initiative at hand. As shown in the next section, each stakeholder involved may have multiple interests vis-à-vis the OSS program and, in most cases, some interests may be in contradiction to other interests.

OSS customers

For citizens, a PA services delivery that operates in a transparent, efficient, honest, and fair manner is of great interest to them. The “less time people spend applying for services, the more time they have to engage in productive activities, improving their economic position” (Luong et al., 2002, p. 25). On top of that, “it is especially poor people that are at a disadvantage in corrupt administrations as they do not have the resources to arrange their case” (ibid).

Thanks to OSS, the domain of PA services delivery at local level is expected to

gain in terms of transparency and responsiveness. In addition, citizens are expected to be able to voice their expectations and needs, and local officials to adequately respond to such expectations. The whole range of operations related to public services delivery, previously managed behind closed doors, is now expected to occur under people's scrutiny. In this regard, the OSS program is expected to enlarge citizen access to a public domain from which they were previously excluded. It can be safely assumed that citizens fully support the OSS program. This assumption has been confirmed by primary data.

Commune People's Committees

Local PCs, and more precisely PC chairmen, are the other key stakeholders of OSS. Not only do they have the formal responsibility to implement and supervise the good functioning of the delivery agency, but they also have multiple and contradictory stakes in its involvement.

First of all, the PC represents the local Government and operates on behalf of the PCnl, which represents the State at local level. The improvement of administrative services delivery is expected to enhance PC Chairman prestige, image, and legitimacy vis-à-vis his community; it also has a positive impact on people's support of the State and local CPV cell.

The implementation of an optimal performing OSS also increases local revenues. This is because some services that were previously neither delivered nor charged for are now provided against payment of a fee. The increase in revenue related to the delivery of administrative services has been estimated at 25%, and this additional source of revenue can be used to launch "socio-economic projects that Party-state funds are usually insufficient to cover. The more projects a ward has, the better it appears to be looking after its residents" (Koh: 2001b, p. 293).

Additionally, "easy to access and simple administrative procedures motivate people to abide by laws and regulations" (SDC, 2004, p. 8). As a consequence, this will also have a positive impact on local revenues and on the governance of the community.

Finally, owing to the fact that the PC Chairman operates as the implementation organ of Government policies in a perspective of personal prestige vis-à-vis the Party and administrative hierarchy, it can be expected that it is in his interests to properly adopt PMD181.

Having said that, considering the age (senior) and level of qualification of executives at commune level, administrative and Party career incentives are weak. As previously mentioned, most local level cadres and civil servants either do not have the education or the age to expect to make a political or administrative career at central level and this undermines their motivation to manage commune affairs according to their political administrative mandate (Abuza, 2001; Koh, 2004a, p. 213).

It has also to be stressed that OSS represents a major stake for local PCs: a transparent and fair OSS means condemning a critical source of extra income for chairpersons and local bureaucrats alike. It is public knowledge that the salary levels of state bureaucrats and cadres are insufficient to enable one to live in a dignified manner in Vietnam, and this is especially true in major urban

settings (see, for instance, Koh, 2001b, p. 283). Public services delivery, as confirmed by the primary data collected, is a major source of income, required to compensate an inadequate salary.

Even if it were possible, cleaning up the administration of any corrupt practices would directly penalize the PC Chairman as it would not only deny him access to extra revenue, but also put him in the uncomfortable position of having to manage local functional bureaucrat reaction and discontent.

OSS also dramatically increases the exposure of PC management and practices with regard to PA services delivery (Fritzen, 2006). If well managed, OSS can be a source of reward and personal pride; if not, it becomes a source of annoyance. Furthermore, while administration services delivery was mainly the concern of the heads of functional units and occurred behind closed doors, OSS is expected to place delivery operations and practices under public scrutiny.

The PC chairperson is the only stakeholder whose list of tasks and responsibilities will increase with OSS. For instance, he will be responsible for the implementation and management of the delivery agency, for ensuring the fit between the expectations of clients and the quality of services delivered, and for ensuring OSS financial and managerial viability, etc. These new tasks will bring with them an increase in the current workload and without compensation of any kind.

Finally, prior to the implementation of OSS, if state budgets failed to cover the running and maintenance costs of commune operating units, local officials used to charge PAS clients extra fees, routinely excessive, so as to cover central Government budget shortfalls. With the OSS, such practice can no longer take place.

Functional bureaucrats of the commune administration

Commune functional officials operate under the professional direction and examination of upper ministerial agencies and under the authority of commune PC Chairman. They are local technical staff and, as such, are in charge of processing clients' applications.

First of all, it has to be said that a better performing administration is in the interests of local officials and cadres. The introduction of an OSS is expected to lead to "reconsidering and streamlining administrative procedures relevant to the services offered to the people" (Luong et al., 2002, p. 26); this is expected to generate significant efficiency gains because regulations and procedures will have been clarified. In addition, "national or provincial determined regulations become clearer to the local Government cadres, deficiencies and other problems in their implementation are more easily identified and communicated to those agencies responsible for these regulations" (ibid). All this is expected to contribute to creating a satisfying and motivating working environment for local bureaucrats.

Thanks to their discretionary power, afforded them by the fact that they are in a situation of monopoly with regard to the provision of administrative services and by the fact that they have at their disposal unique professional expertise, bureaucrats are able, for instance, to control the amount of time required to process a client's application, by either slowing it down or speeding it up. They

can use their professional expertise to make a case for refusing an application or, as primary data from the field has also shown, refuse to pass on the application to another service, justifying the refusal with obscure technical and legal explanations.

With OSS, functional officers lose the power to negotiate, directly with clients, the conditions and price of the services, and as a consequence, likewise lose their capacity to extract extra revenues through illegal, abusive, corrupt practices.

It has also been observed (primary data) that the introduction of a delivery agency tends to increase, at least in the first months of operation, the workload of functional bureaucrats. With the introduction of formal time limits in services delivery, staff are now obliged to process clients' applications within a given time frame and to notify clients of any possible delays. This goes against the interests of local bureaucrats since it represents new obligations vis-à-vis the citizens as well as a higher workload that is not compensated by any kind of new benefit.

OSS also aims at enhancing transparency. This also goes against the interests of local bureaucrats; information boards and leaflets in the OSS are meant to inform clients about services fees, services delivery time limits, and conditions of application. The more aware and educated customers are in regard to their rights, the more likely they are to stand up to possible abusive behavior on the part of bureaucrats. OSS is also meant to put local administration activity under increased scrutiny with regard to PA services delivery. Local authorities have in this regard an obligation to report to upper level competent agencies and local constituencies.

Commune People's Councils

The local PCnl is the "local representative of state power" (art. 119 Constitution). While these bodies are not directly affected by the OSS program, they are nevertheless expected to play an institutional role since they are expected to oversee PC operations.

According to the Constitution (art. 119), PCnls are also expected to operate in the interests of citizens and be accountable vis-à-vis their constituents. As OSS clearly serves the interests of citizens, one can expect PCnls interests, formally speaking, to be in line with those of the citizen.

On the other hand, the PCs' most influential members are also members of the PCnls. While all PC members may come from the PCnls, the PC Chairman must be a PCnl member. In this regard, one can expect that PCs and PCnls share similar interest vis-à-vis the OSS program.

The fact that OSS commune officials no longer have at their disposal discretionary power to cover central Government budget shortfalls by charging clients extra fees, constitutes a disincentive to implement the initiative properly.

Vietnamese Fatherland Front and other commune mass organizations

The VFF does not have a direct stake in OSS. However, it can be expected to share the same strategic positioning as the CPV local cell given that VFF are, institutionally speaking, strictly related to them.

Upper level authorities

The provincial and districts authorities execute and implement “national policy and legislation”. They also have their “own responsibilities and initiate national policies and plan” (Luong et al., 2002, p. 27).

It is in their interests to have a well performing administration. This applies to their internal popular support as well as their image at regional level. Furthermore, if a clear and fair administration also contributes to social and political stability as well as economic development, then provincial level authorities have every interest in supporting the OSS program.

On the other hand, for upper level authorities concerned with those services that require the intervention of district and provincial level cadres (e.g., land administration), the implementation of an OSS at commune level has two types of effect. On one hand, the fact that the whole procedure is taken charge of by the administration provides an opportunity to streamline the whole PASD procedure. On the other hand, upper level authorities lose that direct contact with clients (clients’ applications are taken to district and provincial level by commune civil servants and not by citizens) and thus lose the opportunity to extract extra money from them.

Commune Communist Party cell

Local Party cells are expected to be Party representatives at local level and therefore share the same interests as top Party officials in Hanoi; however, as pointed out earlier, CPV cells are also entrenched in local institutional political contexts (Koh, 2004b). As such, it is expected that local realities would affect their positioning with regard to the program at stake.

It can be expected that a well performing administration is in their interests given the positive impact on image, prestige, and the legitimacy of Party-state organizations vis-à-vis citizens. The same positive positioning can be expected with regard to the OSS program given its positive effects, one of which is that more people abide by the administrative law and regulations.

Negative impacts on the remuneration of officials, a higher level of transparency of state operations, and a higher expectation by local constituencies with regard to PASD related operations are, on the contrary, against the interests of commune CPV cells.

Central Government and the central CPV

The Government and the CPV are the initiators and main political sponsors of the OSS program. As stated in Decision 181, the OSS program “aims to create a substantial change in the relationships and problem-settling procedures between State administrative agencies and organizations as well as citizens (...)” (art. 1).

Via a better performing, fair, transparent, accountable administration, the Government and the CPV ambition to gain the respect and legitimacy of the citizens. The success of such program is therefore crucial for their image and credibility with regard to their commitment and capacity to control state agencies and Party members; failure would imply that the Party and the Government are not in control of their members and administration, and this could have dramatic consequences for Party legitimacy and popular support.

On the other hand, the OSS program ambitions to combat “corruption and authoritarianism among state officials and employees” (art. 1). The objective is to create a fair and honest administration in the interests of the people, although this also implies stopping the main source of alternative revenue for state bureaucrats, whose official salary is insufficient to make a living.

Given the lack of state financial resources, the salary of state bureaucrats cannot be increased to fully compensate the loss of financial revenues generated by petty corruption: a successful implementation of OSS is thus against the interests of state bureaucrats. And neither is it in the interests of the Government or the CPV: discontented and frustrated bureaucrats could engender dramatic and unpredictable consequences with regard to support for the Party and social and political stability.

Furthermore, previous to the implementation of OSS an important share of a bureaucrat’s salary came from direct private financial transfer via corrupt practices (from the citizens to the bureaucrat). With the implementation of OSS, such share needs to be compensated via the transfer of funds from the public budget, but this threatens to engender a lack of resources for other socio-economic policies and programs, and cause poverty reduction aims and political support for the Party and the Government to backfire.

3.5.2 Assessment of stakeholders’ strategic interests with regard to OSS successful implementation

Stakeholders’ strategic interests have been weighted on a scale that ranges from very much in favor, relatively in favor, relatively not in favor to very much not in favor.

The weight very much not in favor means that the strategic interest of the actors is very much against a successful implementation of the OSS program given that this would hamper its power. The weight of very much in favor, on the contrary, means that the actor is strongly supportive of the initiative since it gains power from an implementation in line with PMD provisions.

The weight of actors’ strategic interests is a normative judgment that is based on my personal observation on the ground when collecting primary data and based on secondary literature previously presented.

Table 47: Stakeholders’ strategic interests vis-à-vis the OSS program

Stakeholder	Stakeholders’ strategic interests with regard to PMD181	Level of support of OSS successful implementation
OSS clients (citizens)	OSS program serves the interests of citizens (more transparent, responsive, and honest administration)	Very much in favor
Commune PCs	PC Chairman endorses the overall responsibility to set up the OSS and run it	Relatively in favor
	A well performing and honest local administration means higher Party and State organization legitimacy and prestige vis-à-vis local citizens	Relatively in favor
	Positive impact on local budget because of higher services delivery related revenues: opportunity to finance new local projects	Relatively in favor
	Enabling business environment with also positive impacts on local incomes	Relatively in favor
	More people abide by the laws and regulations	Relatively in favor
	Properly implement Government policies: fulfill its institutional mandate	Relatively in favor
	Less opportunity to gain extra income from corruptive practices (petty corruption)	Relatively not in favor
	Manage local bureaucrats, discontented because they have lost a critical source of revenue necessary to supplement their salary and compensate for a higher workload	Very much not in favor
	No more opportunity to compensate State budget shortage with local <i>ad hoc</i> fees for PASD	Very much not in favor
	Greater external exposure to the public eye of administrative services delivery	Very much not in favor
Higher expectation by local constituencies with regard to administrative services delivery	Very much not in favor	
Higher degree of accountability of PC Chairman and functional officers vis-à-vis citizens and local constituents	Very much not in favor	
Functional bureaucrats of the commune administration	More efficient and effective public administration creates a more satisfying working environment	Relatively in favor
	Loss of discretionary power: clients no longer visit functional offices, bureaucrats lose considerable discretionary power to	Very much not in

Stakeholder	Stakeholders' strategic interests with regard to PMD181	Level of support of OSS successful implementation
	negotiate directly with clients and extract extra money from them	favor
	Clients more aware of their rights, services fees, provision time limits, and conditions for application: loss of discretionary power of bureaucrats	Very much not in favor
	Increased workload without compensation	Very much not in favor
Commune People 's Councils	Fulfilling its function of local state representative and its political mandate vis-à-vis citizens: they share the same interests as OSS customers	Very much in favor
	No more opportunity to compensate State budget shortage with local <i>ad hoc</i> extra fees for PASD	Relatively not in favor
	Higher level of accountability of local authorities vis-à-vis citizens and local constituents	Very much not in favor
VFF (and other commune mass organizations)	A well performing, fair, and accountable administration enhances the prestige of commune Party-state bodies and the legitimacy of the CPV, bringing political and social stability to the commune	Relatively in favor
	Local administration under the political control of commune CPV implement Government policies properly	Relatively in favor
	More people abide by the laws and regulations	Relatively in favor
	Manage local bureaucrats discontented because they have lost a critical source of revenue necessary to supplement their salary and compensate for a higher workload. Risk of undermining state official support for CPV	Relatively not in favor
	No more opportunity to compensate State budget shortage with local <i>ad hoc</i> fees for PASD	Very much in favor
	Greater external exposure to the public eye of administrative services delivery	Relatively not in favor
	Higher expectation by local constituencies with regard to administrative services delivery	Relatively not in favor
Upper level authorities	A well performing, fair, and accountable administration enhances the prestige of the administration and the legitimacy of the CPV, bringing political and social stability	Relatively in favor
	An efficient administration enables a supportive environment for economic growth and poverty reduction	Relatively in favor
	High risk of provoking unpredictable political and social consequences by discontented and frustrated bureaucrats who have lost a critical source of additional revenue to add to their salary	Relatively not in favor

Stakeholder	Stakeholders' strategic interests with regard to PMD181	Level of support of OSS successful implementation
	Less opportunity to gain extra income from corruptive practices (petty corruption)	Very much not in favor
	Manage local staff discontented because of higher workload	Relatively not in favor
	Greater external exposure to the public eye of administrative services delivery. Higher expectation by local constituencies with regard to administrative services delivery	Very much not in favor
Commune CPV cell	A well performing, fair, and accountable administration enhances the prestige of commune Party-state bodies and the legitimacy of the CPV, bringing political and social stability to the commune	Very much in favor
	Local administration under the political control of commune CPV implement Government policies properly	Relatively in favor
	More people abide by the laws and regulations	Relatively in favor
	Manage local bureaucrats discontented because they have lost a critical source of revenue necessary to supplement their salary and compensate for a higher workload. Risk of undermining state official support for CPV	Relatively not in favor
	No more opportunity to compensate State budget shortage with local <i>ad hoc</i> fees for PASD	Relatively not in favor
	Greater external exposure to the public eye of administrative services delivery	Very much not in favor
	Higher expectation by local constituencies with regard to administrative services delivery	Very much not in favor
Central Government and the central level CPV	A well performing, fair, and accountable administration enhances the prestige of the Government administration and the legitimacy of the CPV, bringing political and social stability	Very much in favor
	An efficient administration enables a supportive environment for economic growth and poverty reduction, that also contributes in shoring up CPV legitimacy	Very much in favor
	Successful OSS implementation would indicate that the Government and the CPV are able to exert effective control over lower level Party-state organizations. Failure, on the other hand, would severely undermine their image and prestige	Very much in favor
	High risk of provoking unpredictable political and social consequences by discontented and frustrated bureaucrats who have lost a critical source of additional revenue	Very much not in favor

Source: my own representation

In order to attempt to measure the strategic positioning of each stakeholder with regard to a successful implementation of PMD181, I have associated the qualitative weight to a quantitative measure.

Table 48: Qualitative and quantitative weight of the level of support for OSS successful implementation

No.	Qualitative measure	Quantitative weight
1	Very much in favor	+2
2	Relatively in favor	+1
3	Relatively not in favor	-1
4	Very much not in favor	-2

Source: my own representation

Given that each stakeholder may have several strategic interests with regard to the initiative and that these interests may be either against or in favor of its proper implementation, the table below presents the sum of values associated with each strategic interest of each actor (net strategic interests).

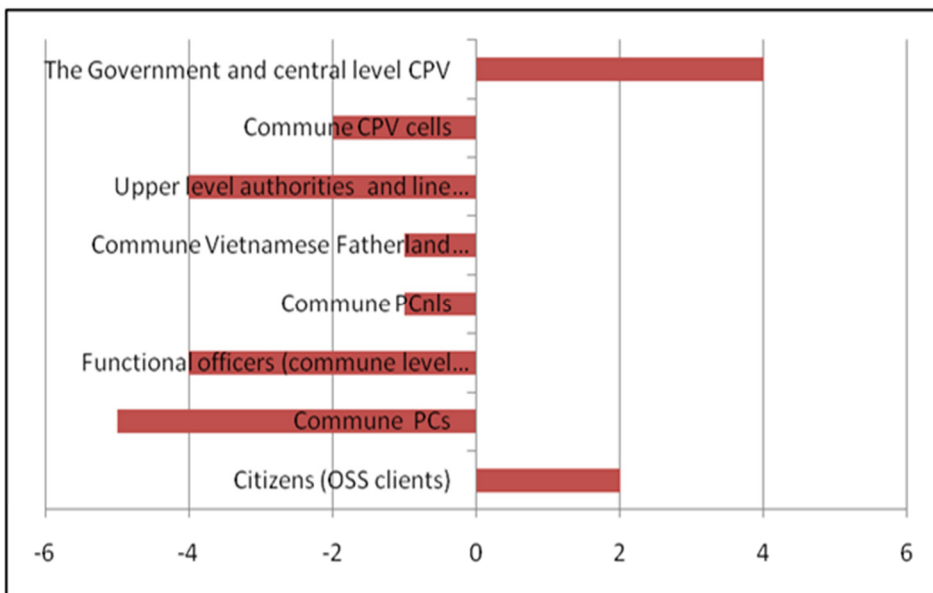
A positive value means that the overall positioning of the stakeholder with regard to the initiative is favorable to its successful implementation. Based on such estimation, stakeholders' net interests are as shown in the table.

Table 49: Assessment of stakeholders' level of support for OSS successful implementation in communes

No.	OSS stakeholder	Level of support of OSS successful implementation (net strategic interests)
1	Citizens (OSS clients)	2
2	Commune PCs	-5
3	Functional officers (commune level bureaucrats)	-4
4	Commune PCnls	-1
5	Commune VFF (VFF)	-1
7	Upper level authorities and line agencies	-4
7	Commune CPV cells	-2
8	The Government and central level CPV	4

Source: my own representation

Table 50: Stakeholders’ net level of support with regard to a successful implementation of the OSS initiative in communes



Source: my own representation

As illustrated, only central Government and CPV and citizens share net interests that are supportive of a proper implementation of PMD181. All other Party-state organizations are against it, especially the PC, commune functional bureaucrats, and upper level authorities.

3.6 Level of influence among stakeholders of OSS outcomes on the ground

In the previous section, I determined OSS stakeholders’ power to affect the governance process at commune level and assessed their net level of support for the OSS program (i.e., their net interests with regard to the initiative). I turn now to the evaluation of the level of influence among stakeholders to affect OSS outcomes on the ground according to their strategic net interest.

As mentioned, each actor positions itself differently with regard to the OSS initiative, and the extent to which it succeeds in influencing the outcomes depends on its level of power to impose its strategic net interests over the strategic net interests of other actors. From a methodological point of view, this implies weighting each actor’s strategic net interests on the base of its power.

Table 51: Power, strategic interests, and level of influence among stakeholders

No.	OSS stakeholder	Stakeholder power at local level	Level of support of OSS successful implementation	Level of influence among stakeholders to determine OSS outcomes (+) positive influence (-) negative influence
1	Citizens (OSS clients)	Low	Very much in favor	Very low (+)
2	Commune PCs	High	Relatively not in favor	Very high (-)
3	Functional officers (commune level bureaucrats)	Relatively high	Very much not in favor	Relatively high (-)
4	Commune PCnls	Relatively low	Relatively not in favor	Relatively low (-)
5	Commune VFF (VFF)	Relatively high	Relatively not in favor	Relatively high (-)
6	Upper level authorities and line agencies	Relatively low	Relatively in favor	Relatively low (-)
7	Commune CPV cells	High	Relatively not in favor	Relatively high (-)
8	The Government and central level CPV	Relatively high	Very much in favor	Relatively high (+)

Source: my own representation

According to the table, commune PCs have sufficient power to dominate the confrontation with other stakeholders so as to determine OSS program outcomes in line with their strategic net interests. Given that such interests go against the successful implementation of the initiative, PMD outcomes on the ground are poor (as demonstrated by the OSSPI = 3.5).

In other words, OSS poor implementation outcomes can be explained by the fact that (i) the institutional set up (*de jure* and *de facto*) and (ii) the administrative-, organizational-, and legal context, as well as the way PMD181 has been designed, favor the very actor that is against OSS full adoption. Conversely, those stakeholders in favor of OSS proper implementation (i.e., citizens and central level Government and CVP) do not have sufficient power to shape PMD181 outcomes according to their interests.

The analysis reveals that, as regards the OSS program, the PC has much more power than the citizens to influence OSS policy outcomes at commune level. Considering all the methodological precautions that have to be taken into

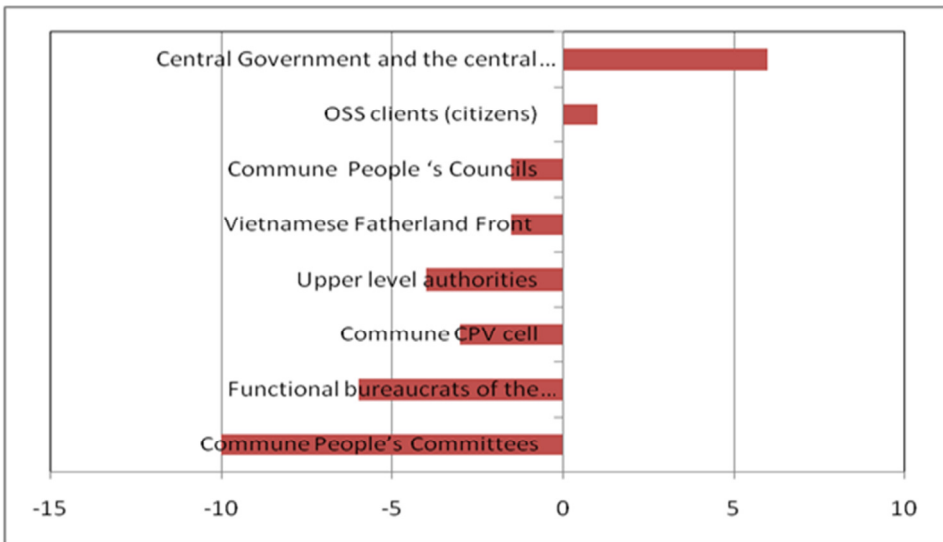
account to draw any general conclusion based on the analysis, their relative influence is 1:10, where the PC is 10 times more powerful than the citizens.

Table 52: Relative level of influence among actors (baseline: citizens' level of influence of OSS outcomes at the communal level of citizens)

Stakeholders	Relative level of influence of OSS outcomes (-) against OSS (+) in favor OSS
Commune PCs	(-) 10
Functional bureaucrats of the commune administration	(-) 6
Commune CPV cell	(-) 3
Upper level authorities	(-) 4
VFF	(-) 2
Commune People's Councils	(-) 2
OSS clients (citizens)	1
Central Government and the central level CPV	6

Source: my own representation

Table 53: Relative level of influence among actors (baseline: citizens' level of influence of OSS outcomes at the communal level of citizens)



Source: my own representation

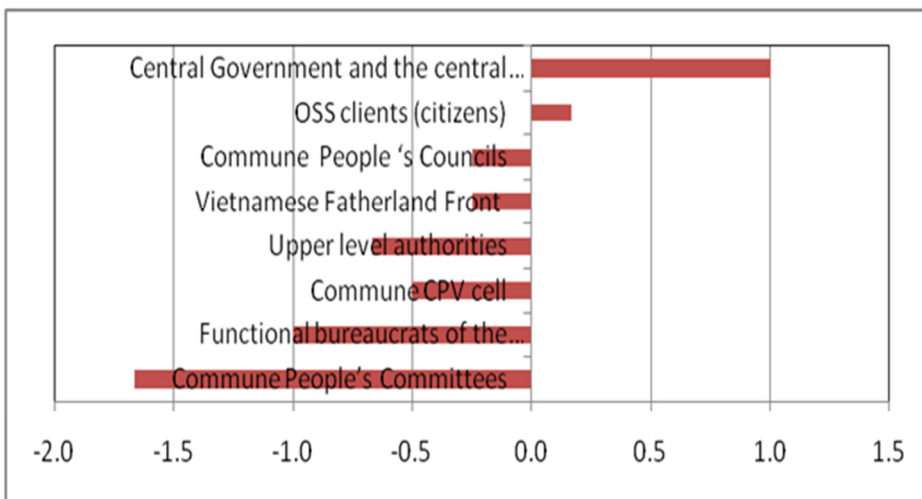
Along the same line, if the relative influence of stakeholders is assessed against the level of influence of central level Government and the CPV, it appears that the Government and Party elites in Hanoi have nearly 1.7 times less power than commune PCs (the most powerful actors at local level) to influence OSS outcomes on the ground.

Table 54: Relative level of influence among actors (baseline: the level of influence of OSS outcomes at the communal level of the central level Government and CPV)

Stakeholders	Relative power balance (-) against OSS (+) in favor OSS
Commune PCs	(-) 1.7
Functional bureaucrats of the commune administration	(-) 1.0
Commune CPV cell	(-) 0.5
Upper level authorities	(-) 0.7
VFF	(-) 0.3
Commune People 's Councils	(-) 0.3
OSS clients (citizens)	0.2
Central Government and the central level CPV	1.00

Source: my own representation

Table 55: Relative level of influence among actors (baseline: the level of influence of OSS outcomes at the communal level of the central level Government and central level CPV)



Source: my own representation

3.7 Conclusion on stakeholders' capacity to influence OSS policy outcomes

In Part 4 of this research I have calculated the OSSPI which indicates that policy outcomes are deceptive (on average, 3.5 out of 10 points). Empirical data also allowed me to draw some observations, hereafter reported.

How can such policy outcomes and these observations be explained? Before answering the questions using as an explanatory variable the relative institutional power balance of stakeholders, I list the main observations collected from the field:

- There is a large array of practices with regard to how local authorities have implemented the OSS program (e.g., the lack of homogeneity with regard to the public administration services provided at local level and the different levels of fees charged to customers, in most cases not in compliance with the instructions of the Ministry of Finance);
- There is a similarity of methods in responding to the OSS program. For instance, it has been noticed that there is a lack of commitment by local authorities to account for their actions vis-à-vis citizens, and the fact that local officials seem to focus on their self-interest instead of paying attention to clients' needs;
- Albeit a divergence of interests may exist on paper between PC Chairmen and functional bureaucrats, their strategic positioning with regard to the OSS program is surprisingly very similar;
- Citizens seems to lack the willingness to engage formally with local officials; there is also a surprisingly low level of conflict between OSS stakeholders, in particular between PCs and citizens (i.e., the poor adoption of the OSS program does not trigger any apparent reaction from people);

- The reporting practices of PC Chairmen suggest that, if reporting is done, they report formally only to upper administrative units. This may signify that no effective constraint is exercised over the PCs to account for their activities and decisions to same-level stakeholders;
- The content of the reporting tends to indicate that the information provided by commune authorities to upper level agencies and commune level Party-state actors is not suited to exerting an adequate function of control.

So, to return to the question previously raised, how can one substantiate such policy outcomes and observations?

The argument that I defended in this research is that PMD181 has performed poorly at commune level because the relative institutional power balance linking stakeholders is in favor of those actors (especially commune PCs and state administration bureaucrats) that have no interest in adopting the initiative properly.

The PC Chairman is the critical stakeholder with regard to the OSS initiative. As the person responsible for the implementation of the initiative, it is he who is in charge of ensuring that the commune administration operates in a more responsive, transparent, and accountable manner. The PC Chairman is also responsible for running the OSS and, as such, holds the institutional responsibility for public administration services delivery at commune level; in other words, he is both responsible for implementing the measure and at the same directly affected by it.

As the orthodox paradox alerts us¹¹⁸, why should a PC Chairman adopt a policy that goes against his strategic interests? In line with the analytical approach of the rational choice institutionalist school of thought, one can say that a PC Chairman would comply with PMD181 only if those stakeholders that are supportive of the initiative (i.e., citizens, Government and central level CPV) and/or those that are meant to oversee the PC's activities as representative of the "mastery of the people" (art. 119 Constitution), i.e., commune PCnls, have sufficient institutional power to pressure him to implement the reform properly.

As demonstrated in this research, this is effectively not the case since no stakeholder has sufficient institutional power to overcome the capacity of a PC Chairman to influence the communal governance process and, as such, the adoption of PMD181.

So, why is the power balance linking OSS stakeholders in the PC Chairman's favor? Firstly, the analysis of the political regime in Vietnam has revealed that spaces of political contestation - "who gets what, when and how" (Jayasuriya & Rodan, 2007, p. 775) that are translated into institutional mechanisms that structure the channels for Party-state and society interactions - have been crafted in such a way so as not to subvert the existing political order and

¹¹⁸ The "orthodox paradox" illustrates the situation whereby the actors (e.g., bureaucrats, civil servants, state officials, etc.) forced to adopt and implement a given reform (e.g., anti-corruption policy, good governance initiative, etc.) "are those which may face weak or negative incentives to do so" (Fritzen, 2006, p. 2)

challenge CPV political monopoly. As forms of political contestation are accepted only within the Party and under its control, structurally speaking, devices that have been institutionalized for citizen inclusion in governance processes are far too limited.

They are, in fact, technocratic (i.e., citizens can, if necessary, discipline bureaucrats but not political representatives), they do not support the mobilization of collective action (see, for instance, the Law on Complaints and Denunciations) and lastly, they are of the tokenism type (citizens are invited into the governance process, but there is no mechanism that ensures that their inputs influence such process).

Indirect mechanisms of pressure, such as the vote of confidence of local officials, the *non-Judiciary* system, mass organizations, the media, and civil society at commune level are either absent (e.g., the media and civil society), virtually ineffective (e.g., mass organizations) or under the control of the Executive and the CPV (e.g., vote of confidence, the Judiciary).

In such context, power balance is *de jure* favorable to Party-state bodies and not to society. This creates a situation whereby “it is virtually impossible” (The Asia Foundation, 2009, p. 8), for citizens to hold Party-state officials accountable for their actions or to influence the governance process at commune level; in sum, “there is no one with responsibility to the people” (Government official, as cited in UNDP, 2006, p. 20).

So, given that citizens do not have sufficient institutional power to force commune level PCs to comply with PMD181 provisions, what is the situation regarding other Party-state organs that either are favorable to the successful implementation of the OSS program (i.e., central Government and central level CPV) or are expected to represent the mastery of the Vietnamese people (i.e., PCnls)? A close analysis of how institutions function at commune level (*de jure* and *de facto*) reveals the “non-existence of adequate checks and balances” (Koh, 2004a, p. 214) within the Party-state system. In such conditions, PC Chairmen operate in an institutional environment relatively free from any effective institutional constraints.

The second source of institutional power adopted in the thesis concerns the administrative-, organizational-, and legal environments. Again, the analysis of these elements has revealed that they do not favor internal accountability mechanisms. For instance, there is an insufficiently clear division of tasks and coordination between upper and lower level authorities, and there are limited “performance measures for which [implementing] agencies are held accountable” (Fritzen, 2003, p. 16); furthermore, upper level agencies show weak commitment to monitoring lower level decision-making procedures, etc.

Such context tends to further enable the commune executive bodies “as self-contained bureaucratic empires” (Painter, 2003a, p. 266). The administrative-, organizational-, and legal environments also profoundly impact the effectiveness of the external accountability devices (from the Party-state to the citizens) and, as it turns out, instead of ensuring the exercise of citizens’ rights, in most cases, has the effect of “damaging the rights and interests of citizens” (The Asia Foundation, 2009, p. 3).

Finally, insofar as the initiative concerns PMD181, the way it has been designed also contributes to weakening the system of control over commune PCs. The text is, in fact, sufficiently imprecise to allow scope for a great deal of room for interpretation and adaptation during the implementation phase.

In sum, the lack of checks and oversight mechanisms, and unfettered by any effective institutional constraints, means that it has effectively been left to the discretion of PC Chairmen whether to implement the OSS program. Considering that the successful implementation of the program goes against their strategic interests, OSS outcomes on the ground are deceptive.

3.7.1 Longer term results of the OSS initiative

While the abovementioned conclusions are based on the quality of OSS observed on the ground, it has to be said that in the long run OSS may potentially contribute to reshaping the power balance at commune level.

Primary data meant to measure OSS outcomes were gathered roughly between 6 months and 1 year after its adoption at commune level. As with any policy that ambitions to redesign state institutions toward some “desired or ideal state” (Pollitt & Bouckaert, 2004, p. 105), OSS effects need to be considered also in the long term; therefore, the issue can be raised whether the initiative at hand has had sufficient time to deliver all its effects. This hypothesis is plausible, and in this case it could partially contribute to explaining the deceptive outcomes measured when I conducted my field visits.

With regard to the opportunity of the OSS program to change the commune level power balance, two mechanisms seem to be promising: better control exercised by the citizens and downward institutional pressure coming from higher level authorities.

The analysis of the relative institutional power balance has shown that citizens did lack the institutional power to influence the commune level governance process, which points out the reason why citizens did not succeed in pushing the commune level authority to properly adopt PMD181. However, this program does aim, if and when information is correctly posted by local authorities and properly made available to people, to enhance citizen knowledge and awareness with regard to local administration operations, and their administrative rights (i.e., basic quality standards regarding how to manage localities and how public service should be delivered are communicated to citizens).

This is likely to have an effect on citizens’ expectations vis-à-vis local authorities and enhance their awareness of local governance issues: more knowledgeable and demanding citizens can, in the medium and long term, manage to exert greater pressure on the local Executive, using, for instance, mechanisms provided by the Grassroots Democracy Decrees and, as such, force the local Executive to comply with the provisions of the law.

While, on paper, this seems to be a promising venue to press commune officials to properly adopt OSS and improve the local governance process, the question is through which institutional mechanism such voices can be channeled. As revealed by the institutional analysis, spaces of contestation at the disposal of

citizens at commune level are practically inexistent.

Another reason why it can be expected that in the long run OSS may perform better than that which has been measured one year into its implementation is the fact that PMD181 provides higher level authorities with the opportunity to appraise lower level via evidence-based performance methodology and devices.

This was not necessarily the case when primary data were collected, nevertheless, as demonstrated by the analysis of the content of the reporting concerning OSS operations transmitted by commune authorities to district authorities - the quality of data collected and transmitted does not allow the performance of any type of effective control - OSS provides a set of criteria against which it is possible to hold commune officials accountable and measure their performance. In the medium term, it can be expected that this will also enhance institutional pressure over commune authorities to perform better.

This second option, based on the institutional analysis, seems to show potential. Authority relations within the Party-state machinery and vertical accountability may play out in favor of such scenario, even though the capacity of upper level authorities to influence the commune governance process is relatively low (as demonstrated in the institutional analysis) and, currently, the strategic interests of upper level PCs in enhancing control over lower level authorities (e.g., by monitoring their performance) is also weak.

4. Research question n. 4 – policy impacts: what are the expected political consequences of OSS outcomes for its initiators

The last research question concerns the political impacts of the OSS program. The corollary questions are: to what extent does the relative failure to implement pro-good governance mechanisms have political consequences for the Communist Party of Vietnam (CPV)? What is the political price of such results? To what extent is the CPV strategy to reform public institutions sustainable in the long term? What does this mean with respect to the current CPV political monopoly?

4.1 Recall of the analytical framework : approach used to determine the political consequences of OSS outcomes

As described in the general analytical framework, dominant political elites determine power distribution in society by attempting to shape state institutions according to their political interests (Cook & Levi, 1990; Jayasuriya & Rodan, 2007; Knight, 1992; Moe, 2005), which are to preserve power and ensure social and political stability (Jayasuriya & Rodan, 2007; Moe, 2005; Scharpf, 1997).

In order to organize and control power distribution in society, political conflicts are channeled and managed through participatory devices (i.e., mechanisms at the disposal of societal actors to influence the governance process) that are under the control of the political elite and designed to accommodate their strategic interests (ibid). In the case of Vietnam, these institutional mechanisms are framed in technocratic terms, are against collective action, and are very limited as regards their effectiveness to allow people to influence the governance process.

When the resources of power of political elites are affected (e.g., loss of legitimacy of CPV), the fit between the new societal power balance and the political institutions comes under tension (i.e., the relative power of the Party diminishes because of corruption and lack of responsiveness and accountability of local cadres, which hampers CPV legitimacy). It is the perception of such tension that motivated the CPV to take action and initiate institutional changes (e.g., good governance reforms such as the OSS initiative) meant to reshape the mechanisms that interface themselves with citizens – via a more transparent, responsive, and accountable administration – in order to manage the political tension that may be a potential challenge to the political status quo.

The strategy adopted by the CPV has been to try to regain legitimacy (i.e., to reaffirm the political monopoly of the Party) via the adoption of initiatives meant to enhance control over local state bureaucracy without altering the state-society power balance by framing political participation in administrative terms.

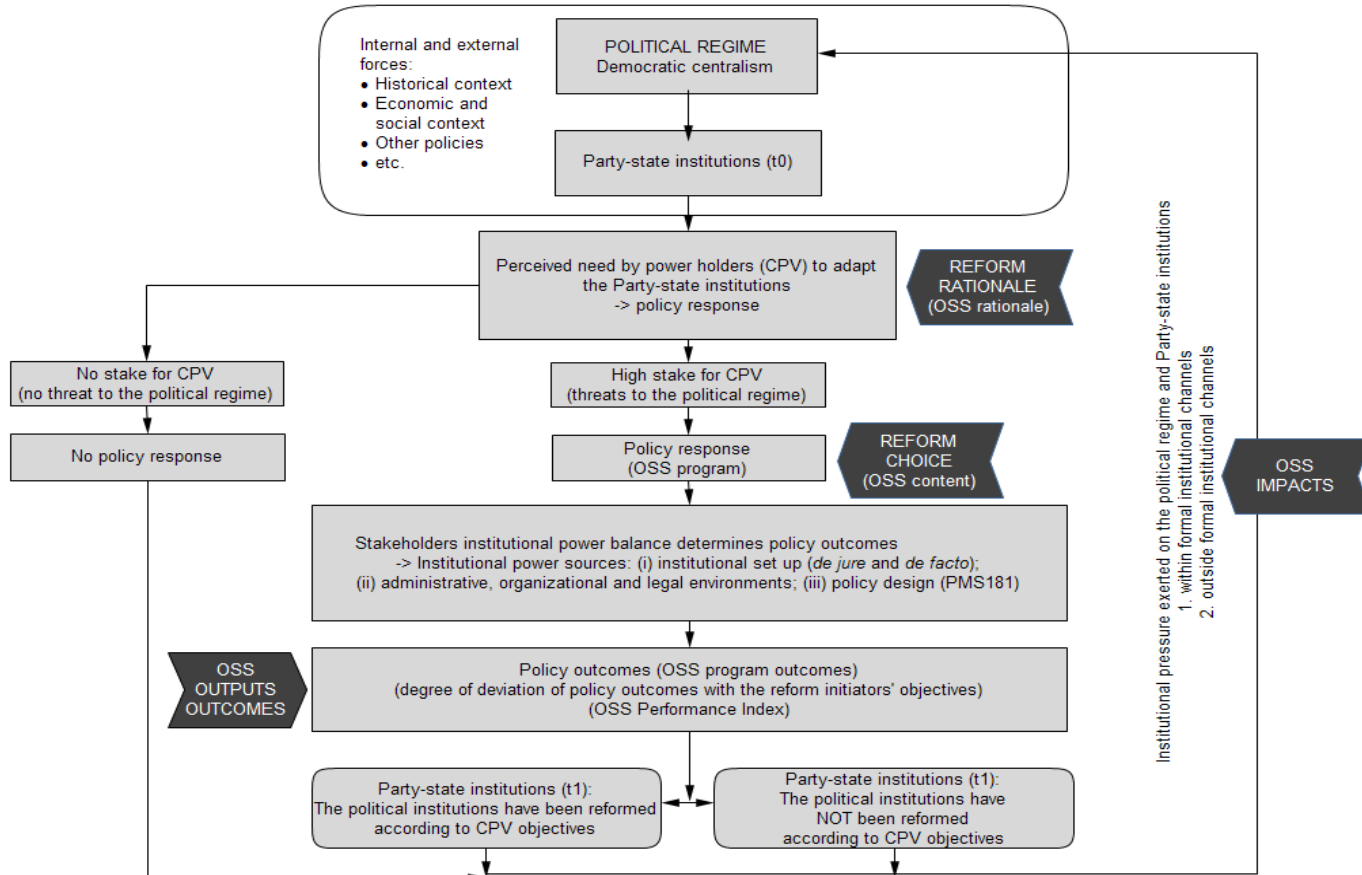
According to the analytical framework, reforms will be successful if those stakeholders that have an interest in the successful implementation of the reform (reform initiators) have sufficient institutional power to prevail against resistance coming from stakeholders that have no interest in adopting the reform, and that try, in vain, to sabotage it. In cases where the reform is a success (i.e.,

outcomes are in line with the objectives of the initiators), state institutions are reformed accordingly and dominant political elites regain the power they previously lost (their legitimacy is shored up). If the reform fails, the new state-society power balance is not formally institutionalized and this leads to political tension, which is unleashed by the mismatch between the political regime, political institutions, and the expectations of citizens (i.e., legitimacy is not established).

Such political tensions can be channeled via the formal political institutions that structure state-society relationships if these are suited to managing them. (e.g., participatory mechanisms, accountability devices, checks and balances, oversight bodies, etc.). Should this not be the case, political struggles take place outside formal political institutions (Cornwall, 2002, 2004); these are political spaces shaped by people themselves (e.g., in extreme cases, this can lead to revolution, social unrest, riots). In this case, the consequences for the political elites can be dramatic.

As for Vietnam, the analysis of the institutional relative power of OSS stakeholders has revealed that this is in favor of those actors (especially commune PCs and state administration bureaucrats) that have no interest in adopting the initiative properly, and this explains the meager results obtained by the OSS. So, what then are the political consequences for the CPV, whose objective was to use PMD 181 in order to shore up its legitimacy? What are the consequences in terms of political stability, and more generally, in terms of Party monopoly of political power?

Table 56: The Vietnamese political regime and OSS outcomes: a dynamic overview and potential impact on the regime



4.2 Predictive potential impacts on the political regime based on the observations of OSS outcomes on the ground

The political objective of public administration reforms in Vietnam has been to redesign authority relationships within state organizations and between state and society. The intent has been to regain control over “the increasing fragmentation” of Party-state apparatus (Vasavakul, 2002, p. 8) that occurred since Doi Moi as a result of the “transition from central planning to a market economy” (Vasavakul, 2002, p. 41).

In the last two decades, such institutional fragmentation has enabled an environment of state inefficiency, unfairness, unresponsive, and non-transparent practices. This has had critical consequences in terms of Party legitimacy and Party popular support.

This situation was worsened by the fact that Party legitimacy also rests upon its capacity to deliver economic growth while containing social inequalities: as this economic model has partially run its course, people’s intolerance toward accepting poor performance by Party-state organizations has continuously eroded support for the Party.

The reaction of the Party has been to launch a whole set of initiatives meant to reform state institutions (i.e., public administration reforms) with the objective to exert greater control over local authorities so as to shore up its legitimacy. The strategy adopted by the Government has been to shape state-society relationship without altering the power balance between the Party and the citizens. This has been done via the implementation of supply- and, to a lesser extent, demand-side reforms, both meant to enhance mechanisms of control over bureaucrats. While these initiatives provide the opportunity for citizens relatively to discipline state administrators, they do not entail the capacity to control political actors.

Data from the field indicate that the OSS program performs poorly (OSS Performance Index = 3.5 out of 10). Other similar initiatives (see, for instance, the Grassroots Democracy reforms, National Target Program on Poverty Reduction (HEPR), and Program 135) obtain similar results.

While allowances should be made for such deceptive performance in view of the short time span that has elapsed between the adoption of the initiative and the collection of primary data used to assess the initiative (this issue is discussed in the final conclusions), it appears that the CPV has missed an opportunity to boost its popular image and popular legitimacy via the OSS program.

Such observation has been corroborated by a survey that I conducted with 223 Vietnamese citizens. Using a survey, I asked the interviewees whether they estimated the performance of commune level public administration had improved as a result of the implementation of OSS. The majority (65%) replied that they did not quite agree (and 15% that they totally disagreed), pointing out that the lack of transparency of operations, the abusive behaviors of officials, and corruption had not declined. This data can be interpreted as a measure of whether people’s support for the Party-state apparatus has been enhanced through the OSS program and, to a certain extent, the impact on CPV

legitimacy. Although the sample of interviewees is small, this result suggests that the expected positive impact on CPV popular support and political legitimacy has not occurred.

4.2.1 Symbolic impacts of OSS outcomes for the CPV

Political scientists alert us to the fact that, in order to fully capture reforms results, one also has to look for symbolic and rhetorical effects (Pollitt & Bouckaert, 2004, p. 6). What then of the symbolic benefits of the OSS program at commune level for central level authorities and the Party?

While highly advertised back in 2005 and 2006 just before its launch¹¹⁹, the OSS program for public administration services delivery has, in the last few years, basically disappeared from the policy debate¹²⁰, as demonstrated by the fact that Vietnamese officials have been increasingly resistant to the idea of having donors and external agencies involved in the program. The program most publicized now, and that benefits from a high profile public campaign led by the Prime Minister himself, is one that aims at simplifying public administrative procedures (Project 30), and which has been presented as highly promising.¹²¹

What is, in contrast, still publicized with regard to the OSS initiative is the progress realized in relation to the delivery of administrative services required to set up new businesses, and the mechanism for registering foreign direct investments (FDI). In both cases, however, such mechanisms are either at district- (business registration), provincial- (business registration and FDI), or central level (FDI): OSS effects at commune level are not publicized at all.

What this suggests is that the CPV has tried to gain symbolic credit for OSS by publicizing its objective in the months following its launch and by advertising only those aspects that have delivered relatively better results.

This is no surprise, as Turner and Hulme (1997) point out, because this is often the case: initiatives meant to reform the administration are in general very well publicized in the agenda setting phase and are “widely trumpeted” (Pollitt & Bouckaert, 2004, p. 7) if, afterward, they produce results. In contrast, they tend to go silent if “they fail to produce the claimed benefit” (p. 7).

Having said this, one can still conclude that the OSS program at commune level did not bring about any relevant symbolic benefit to the Party. On the contrary, one can speculate that the relative incapacity to enhance governance process at commune level has played against the reputation and image of central level authorities and the CPV, given that the initial publicity surrounding the program has created some expectations that have not been fulfilled.

¹¹⁹ During the press conference of Prime Minister Phan Van Khai that followed his new year’s first cabinet meeting in January 2006, the implementation of OSS was reported as the first governmental priority (Viet Nam News, 29.1.2006)

¹²⁰ Discussion in September 2009 with former SDC program officer

¹²¹ According to the Prime Minister, 30% of administrative procedure will be revised by the end of the Project (end of 2010). Retrieved on 24 February 2012 from: http://csdl.thutuchanhchinh.vn/trang_d_u

4.2.2 The road that future institutional reforms must travel

It can easily be predicted that the Government and the Party will continue to reform Party-state organs and the system of governance with the objective of regaining control and consolidating authority relationships.

Some of the governance innovations currently being discussed in Vietnam concern, for example, the direct election of commune PC Chairmen (UNDP, 2006, p. 29). Under the current situation, PC Chairmen are selected by the members of the PCnl, whose members are elected by universal suffrage, at least on paper, after the approval of the candidates by the Vietnamese Fatherland Front. Free elections are also being discussed for the selection of local-level Party leaders, points out the UNDP report (2006); at the moment, local Party leaders are elected by commune Party members and this, after their candidacy has been approved by higher political and Party authorities.

Also being discussed is the initiative to reduce the overlap between the key positions of Party-state organizations. Currently, the Vice Chairman of the PC is the CPV Secretary; communal PC members can also serve on district or provincial PCnls and hold executive positions in PCs. The idea is to avoid the current situation, where officials are “both as football player and as referee” (UNDP, 2006, p. 29) since they can hold positions in the executive agency and, at the same time, on the administrative unit supposed to supervise it.

The possibility of institutionalizing the position of village Head as part of the existing commune administration is also being considered (UNDP, 2006). In this case, he would be paid a state salary and would also be seconded by a Vice-head. The idea is to strengthen the position of village leader as main institutional interface between villagers and the Party-state.

As previously mentioned, in an institutional perspective, for institutional reforms to be successful, stakeholders that have a strategic interest in their successful implementation need to have sufficient institutional power to prevail against resistance coming from stakeholders that have no interest in adopting them. Under the current regime, the main beneficiaries of these reforms (i.e., central level CPV and citizens) seem to lack sufficient institutional power, at least at commune level, to ensure the proper implementation of future reforms.

The OSS case study also suggests that central level Government and central level CPV, regardless of their commitment, struggle to have central level policies properly adopted at local level. This indicates that for central level authorities, it is very difficult to exert effective control over local Governments via vertical authority relations, especially at commune level. This aspect has been clearly captured by the Eastern Economic Review when it reports (December 7, 2000) that “what is clear is that Hanoi can no longer rule by remote control”.

In such light, one can speculate that, under the same governance conditions, further institutional reforms meant to shape state-society relationships will generate similarly meager outcomes, as other reforms such as the Grassroots Democracy have in fact demonstrated.

4.2.3 The political impasse of the CPV and the potential consequences for the regime

While the strategy to reform institutions (e.g., OSS program) is consistent with the pressing imperative to shore up Party legitimacy without fundamentally altering the political power balance, the institutional setting does not provide the enabling environment for these reforms to deliver properly.

One can in fact question to what extent CPV strategy (supply- and demand-side reforms meant to enhance control over bureaucrats but not elected officials) can be effective if devices at the disposal of citizens to hold its representatives accountable for their actions, as well as external check-and-balance mechanisms (i.e., the Judiciary, the media, civil society, etc.), are weak or ineffective.

Even if free elections are not sufficient to ensure citizen inclusion in the governance process (Fritzen, 2006; Tylor, 2004; UNDP, 2006), in a multiparty system electoral mechanisms are in place, at least in theory, to sanction the Government when it does not meet citizens' expectations. In a one-party system, such incentive does not exist. In Vietnam, one way to force Government to be responsive to citizens' expectations would therefore be (i) via the existence of effective accountability mechanisms that allow the CPV and the Government to sanction the members of the Party-state machinery who do not fulfill their political mandate; and (ii) for the CPV and central- level Government to have sufficient institutional power throughout the whole Party-state hierarchy - from central level down to commune level - to enforce such mechanisms. Both conditions are based upon the assumption that the CPV is genuinely committed to governing in the interests of the people. As demonstrated by OSS primary data, from an institutional governance point of view, at commune level neither condition is being met.

Under such conditions, there is a growing political and institutional tension that is created by the mismatch between the necessity of the CPV to maintain the political status quo and the relative ineffectiveness of reforms meant to boost its legitimacy. On one hand, the CPV is constrained to design reforms that do not alter the current power balance between the Party and the citizens; on the other, the institutional setting does not provide the right enabling incentives for such type of reforms to adequately deliver (i.e., stakeholders' power balance not favorable, central-level operational- and political incapacity to ensure proper policy implementation at local level, etc.).

Such tension may result in increasing political pressure, manifest by the current relative non-fit between a political regime that offers citizens limited contestation spaces, and an increasingly more demanding, educated, and sophisticated population. To what extent such institutional and political tension can be successfully channeled through existing devices at the disposal of citizens is a question currently debated among experts (see, for instance, Abuza, 2002, 2004; Dixon, 2004; McCarty, 2001a, 2001b; Shanks et al., 2004; UNDP, 2006).

This situation seems to be even more dramatic if one considers that, for the last 20 years, Party legitimacy has mainly rested upon its capacity to deliver economic growth and improve the standard of living of Vietnamese citizens.

How would people react to a dramatic economic recession? What happens if they start to think that "tomorrow may not be better than today" (Templer, 1998, p. 353). What if, for example, the economy does not succeed in creating the one

million jobs required to absorb the new workers that join the labor market every year? (p. 145)

Furthermore, when dealing with institutional reforms, the Vietnamese political regime's *modus operandi* has been quite reactive (as opposed to pro-active) since major institutional reforms have been adopted only subsequent to political or social tensions that have pressed the central Government to take action in order to "correct" the source of that tension.

After the Thai Binh peasants' protests, for example, the Party initiated the political reform that led to the implementation of the Grassroots Democracy Decree in 1998. Local unrest in the central highlands in 2001 also led to an in-depth revision of the Land Law (2003), while the Law against corruption (2005) also followed major corruption scandals. This indicates that the political leaders in Hanoi tend to take action (i.e., adopt institutional reforms) only when political and social pressure gets sufficiently significant that it can no longer be ignored.

Considering the relative impermeability of the current regime to adequately absorb institutional reforms, and the lack of pro-activity demonstrated by the Government, one can speculate that political and social pressures will be increasingly exerted also from outside formal institutional channels, as has already been the case in Thai Binh and in the highland provinces. Given that these spaces are not under the control of the Party, this can have dramatic political consequences for the CPV.

PART VII - CONCLUSIONS

1. Synthesis of findings and research questions

1.1 Recall of OSS outcomes on the ground

The first element that needs to be highlighted is that the analysis performed in this research points out that OSS outcomes on the ground are quite deceptive. A similar conclusion is advanced in the report commissioned by the MoHA and the MoJ (2005).

Among the three dimensions evaluated (transparency, responsiveness, and accountability), data collected in the field indicate that the OSS program has, in relative terms, contributed rather to enhancing the *transparency* of PA services delivery (OSSPI transparency sub index = 4.3). The visibility of the information posted on the boards relating to service fees, delivery time limits, and conditions for application has been evaluated positively; less encouraging results have been observed with regard to the accessibility by people to such information.

Poor results have also been observed with regard to the expected improvement in the *responsiveness* of local authorities to citizens' expectations (OSSPI responsiveness sub index = 3.9). Commune authorities tend to ignore clients' needs and expectations and tend to give priority to their own comfort. Also deceptive are the results of the indicator that measures the adequacy of the fees charged to applicants relative to the fees regulated by the Ministry of Finance (local authorities charge for services that should be provided free of charge, and/or fees are artificially inflated).

More positive is the primary data concerning the financial sustainability of OSS: this good result can be explained by the fact that the delivery mechanism impacts local budgets positively and as such, provides local authorities with additional financial resources.

Finally, primary data seem to indicate that the worst results have been observed with regard to the lack of improvement in local authority *accountability* vis-à-vis citizens and PCnls. First of all, local authorities have shown a very poor inclination to account to citizens for their actions; secondly, the degree of control exerted by PCnls over the local executive body is also disappointing, as indicated by the reporting practices and its content. The analysis of the frequency, the content, and the recipients of the reporting tends to suggest that the PC Chairman at commune level operates in an institutional environment that lacks effective checks and balances.

1.2 Recall of PAR in Vietnam: why such policy rationale, design, and outcomes? What are the consequences for the CPV?

1.2.1 Research question n. 1: policy rationale – what is the rationale behind the adoption of PAR and OSS in Vietnam?

While more or less technical explanations can be put forward to explain policy

rationale - e.g., to implement in Vietnam “the rule by law within a centralized state management framework” (Painter, 2003a, p. 259), political scientists inform us that PAR in Vietnam needs to be understood as the attempt of the Vietnamese Communist Party to regain control over “the increasing fragmentation” of Party-state apparatus (Vasavakul, 2002, p. 8). Such fragmentation has occurred in the last 20 years as a result of the “transition from central planning to a market economy” (Vasavakul, 2002, p. 41).

The main consequence of such atomization is that, in addition to undercutting the internal state hierarchical authority and relaxing vertical administrative and political mechanisms of control, this has enhanced the creation of coalitions between local technocrats, local elites, and local political leaders. Such institutional fragmentation has enabled an environment of state inefficiency, ineffectiveness, mismanagement, and red tape, where corruption flourishes with dramatic consequences for a CPV political legitimacy already under stress owing to the fact that the model of economic growth with equity partially appears to have run its course, as demonstrated by the continuing rise, in the last ten years, in social inequality.

This is the background against which PAR, and more specifically OSS, rationale needs to be understood. Its final purpose is to enhance control over local authorities so as to make them operate in line with their political mandate and allow the CPV to boost its political legitimacy.

1.2.2 Research question n. 2: policy choice – what is the strategy adopted to reform the Public Administration in Vietnam?

First of all, the brief historical analysis presented in this thesis shows that most institutional changes in Vietnam have been initiated at the local level, as experiments on the ground, and once they have gained sufficient political support, they have been scaled up to national level (see, for instance, the fence breaking initiative).

Secondly, institutional changes are the product of a complex network of consultation processes and reflect the interest of multiple stakeholders, directly or indirectly under the control of the Party (Donge et al., 1999, as referred to in McCarty, 2001c). Decisions are taken in the interest of the Party and not against it (CGD, 2008, p. 28).

Third, the agenda setting of institution building tends to take place in a “crisis situation”. A good example is the adoption of the Grassroots Democracy Decree or the issuing of the Law against corruption, and the related political and social crises that preceded their adoption.

Finally, the strategy to reform public institutions chosen by the CPV responds to the political imperative to maintain state control over society. This has been done by framing political participation in administrative terms (Rodan & Jayasuriya, 2007, p. 796).

The CPV in fact did not have much room of maneuver since its main concern is to ensure its political monopoly and not to alter the political power balance between the Party and the citizens. OSS is therefore about disciplining commune level Government in two ways: (i) by exerting greater internal control

over bureaucrats (supply-side reforms, i.e., control exerted via hierarchy and vertical lines of authority internal to the state, where the state institutions are expected to police themselves), and, to a lesser extent, (ii) by empowering citizens with knowledge of their administrative rights and the quality standards they are entitled to expect and demand from state agencies (i.e., demand-side reforms).

As a result of the imperative to preserve the political power balance, the CPV cannot afford to use external devices that would allow citizens to exert direct control over local Party members (i.e., electoral mechanisms). In other words, new accountability devices have been put in place, but they involve a relationship between state officials and bureaucrats or between citizens and bureaucrats, but not between citizens and political actors.

In such context, public administration reforms are expected to deliver results in terms of good governance via the enhanced pressure exercised over local Governments by upper level agencies and by more acknowledged and demanding citizens.

1.2.3 Research question n. 3: why such policy outcomes – why has the OSS program performed as it has?

In order to understand OSS results on the ground, it is useful to recall the policy rationale behind the OSS program: central level CPV, with the objective to re-establish authority over local cadres in an attempt to boost their legitimacy, aims (i) at empowering citizens with knowledge regarding their rights and local governance process and (ii) at enhancing vertical lines of authority, assuming that (i) local authorities implement such measures smoothly (i.e., they accept, without resistance, opening up spaces for citizens to get more involved in the local governance process) and (ii) citizens are in a position to take advantage of their new knowledge to exert effective control over local authorities.

As indicated by the OSSPI, such policy logic did not find much evidence on the ground. Why? Because local authorities did not implement the OSS program properly and secondly, citizens did not have sufficient institutional power to push the local Executive to adequately adopt the measure.

More precisely, the deceptive OSS outcomes can be explained by the fact that the relative institutional power balance linking stakeholders is in favor of those actors (especially commune PCs and state administration bureaucrats) that have no interest in adopting the initiative properly, and succeed therefore in influencing OSS outcomes according to their interests. The (i) institutional arrangements *de jure* and *de facto*, (ii) administrative-, organizational-, and legal environment, and (iii) OSS policy characteristics, that determine stakeholders' relative institutional power, favor the very actor that is against the successful implementation of OSS.

Conversely, those stakeholders in favor of the proper implementation of OSS (i.e., citizens and central-level Government, and the CPV) did not have sufficient power to shape PMD181 outcomes according to their interests.

While such scant OSS initiative results were measured roughly between 6 months and 1 year after its adaptation at commune level, in longer terms one

can speculate that OSS would actually contribute to improving commune level governance and this, via two mechanisms; more acknowledged and demanding citizens that pressure officials to properly adopt the OSS program in line with PMD181 provisions (scenario less probable when considering the current lack of commune level institutional spaces of contestation at the disposal of citizens). Secondly, and a relatively more promising option, is via the enhanced downward control exercised by upper level authorities given that OSS provides them with evidence-based tools to appraise commune performance.

1.2.4 Research question n. 4: expected policy impacts of OSS initiative – what are the expected political consequences of OSS outcomes for its initiators?

The issue at stake here is to understand the political implications of OSS results for OSS initiators, i.e., central level CPV. Considering that the Party counted on positive outcomes of this program to contribute to shoring up its political legitimacy and image, the deceptive results achieved by OSS suggest that the CPV missed, at least when primary data were collected, this opportunity. This conclusion was corroborated by the feedback of over 220 people whom I surveyed in order to understand the link between OSS outcomes at commune level and the effect of Party-state image and legitimacy.

The CPV has not benefited in getting any symbolic credit for OSS at commune level either, as demonstrated by the fact that such initiative has practically disappeared from the policy debate and has been replaced by a new initiative meant to simplify administrative procedure (Project 30).

One can speculate that the relative incapacity to enhance governance process at commune level has played against the reputation and image of central-level authorities and the CPV, given that the publicity surrounding the making of this program just after its launch back in 2005 and 2006 created some expectations that have not for the moment been fulfilled.

Will the CPV succeed better with future institutional reforms? For the moment, the odds are against this prospect, given that the current institutional environment lacks the enabling incentives to have such reforms properly adopted. Under such conditions, there is a growing political and institutional tension created by the mismatch between the necessity of the CPV to maintain the political status quo and the relative ineffectiveness of reforms meant to boost its legitimacy.

In addition, this situation may become even more dramatic if the legitimacy of the Party is further questioned by, for instance, an economic recession, which would put current political and social institutions under great stress. As long as political tensions are successfully channeled via institutional channels, CPV monopoly of the political scene is not at risk; things may be different if the current institutional set up does not succeed in absorbing such pressures. In this case, consequences for the current political regime could be dramatic.

2. Analytical and theoretical considerations

2.1 The difficult issue of measuring and explaining policy results

2.1.1 Policy results: a relative perspective

Measuring policy outcomes on the ground is a difficult task. First of all, the notion of results incorporates a variety of concepts that need to be clarified. In fact, a full discussion of results would embrace the wider questions of “results for whom, defined by whom, against what criteria and in pursuits of which objectives” (Pollitt & Bouckaert, 2004, p. 103).

In addition, results may be looked for in different ways, different places, on different levels and in different moments; judgment of the achievements is likely to differ depending on which of these various types of evidences is given the greatest weight (Pollitt & Bouckaert, 2004). Depending on the position of the evaluator, the judgment of reforms achievements may also vary. The picture is also complicated by the fact that reforms involve both tangible changes (e.g., formal institutional arrangements) and intangible transformation (e.g., values, beliefs, culture, etc.); reforms may also concern immediate results, as well as serve multiple intermediate ends that perform differently.

Last but not least, policy also generates symbolic results. This is the case when policy initiators claim benefit by virtue of the fact of “being seen to be doing something” (Pollitt & Bouckaert, 2004, p. 6). “Announcing reforms, criticizing bureaucracy, praising new management techniques (...) help to attract favorable attention and legitimacy to the politicians that espouse them” (ibid).

It is against this complex background that the results of OSS reforms presented in this research have been interpreted.

2.1.2 The construction of an index to measure policy outcomes

The conceptualization of OSS outcomes has been done via the construction of an index and the use of qualitative and quantitative methods to measure explanatory variables, which requires a normative judgment. Although these methods ease considerably the analysis of a complex phenomenon such as governance and public administration reform dynamics in an institutional environment, they imply a relative simplification of the causal relations linking the variables at hand.

The normative choice related to data aggregation, weighting, and truncation determines the outcomes of the analysis and, as such, any type of conclusion based on these models needs to be considered against this methodological fact.

2.1.3 Short term and long term OSS results

As with any policy, PAR and good governance initiatives produce short and long term results. OSS short term results have been assessed as deceptive; however, as previously mentioned, one should also consider the longer term results of OSS.

In this regard, and as discussed, one could speculate that in the long run such index may perform relatively better (via pressure exerted by more knowledgeable citizens and via enhanced control by upper level authorities over

commune performance) and therefore positively affect commune level governance.

What would the OSSPI be if measured 5 years after the launch of the program? There can be no doubt that an updated value would provide a more accurate picture of OSS outcomes and its effects on the commune level institutional environment.

2.1.4 OSS outcomes: multiple interests and multiple perspectives

While OSS outcomes have been evaluated as deceptive, at least in the short term, such results accommodate the interests of several stakeholders.

As demonstrated in the institutional analysis, it is in fact in the interests of basically all the Party-state organizations not to properly implement PMD181 (especially for local PCs, PCnls, bureaucrats, and Party cells). It is in fact against their strategic interests to share their institutional political power with citizens, to provide them with the devices meant to assess the quality of service delivery and, ultimately, to be held accountable to them in case of mismanagement and wrong doing.

In this respect, the OSS performance index measures the effectiveness of the policy, i.e., the gap between the expected objectives stated in the policy documents (PMD181 and Government implementation guidelines) and the results observed on the ground. From the perspective of Party-state local members, OSS policy outcomes are certainly not deceptive – at least for the moment – since it is themselves who largely contribute to obtaining such results.

2.1.5 The positioning of stakeholders vis-à-vis the OSS policy

As literature acknowledges (see, for instance, WB, 2004c), over time, policy outcomes can have a direct and indirect impact on the power distribution of stakeholders. In a dynamic policy perspective, OSS stakeholders, that have multiple motivations, may have their interests vis-à-vis the initiative changed over time, since policy outcomes may impact on power distribution and lead to the alteration of the structure of institutional incentives (Eaton et al., 2009). Some stakeholders, initially policy supporters, may reconsider their position when they come to understand the implications for their own power, resources, and influence. As noted by the scholars, “these actors move through the political and bureaucratic system and occupy different positions within it, their stances [on the policy] are likely to change in ways that reflect the incentives they face in their new position” (p. 54).

The position of PC Chairmen, currently aligned with the interests of functional bureaucrats and fundamentally against the reform, may therefore change over time. If OSS succeeds in contributing to a better administration, then the PC Chairman could increasingly consider as a source of his own political legitimacy also the level of satisfaction of his local constituencies (this is not currently much the case, as demonstrated by primary data) and, as such, become a supporter of the initiative.

The repositioning of stakeholders vis-à-vis the OSS reform is another element that may contribute in the long run to enhancing pressure on commune level

authorities to improve their operations in the realm of PASD.

2.1.6 Cultural values and reforms results

As previously discussed, Cheung and Scott (2003) alert us to the fact that governance systems are culturally and sociologically constructed arenas in which players and institutions interact, and that they are not detached from politics and the dominant values of society. This raises the critical issue of the construction of an evaluation device that takes into consideration the contextual values.

Two issues are at stake here: the first concerns the definition of indicators against which one can assess the policy at hand; the second deals with setting the right qualitative standards to evaluate the outcomes when the policy does not specify any.

For this research the first issue has been easily solved by using as indicators to assess OSS outcomes mainly the elements mentioned in the OSS policy documents. As an example, according to PMD181 (Article 2) the OSS “mechanism aims to create a substantial change in the relationships and problem-settling procedures between State administrative agencies and organizations as well as citizens (...)”. As for MoHA operational guidelines, they explicitly state that the OSS objective is to “improve the accountability and behaviors of cadres and civil servants towards citizens and organizations” (MoHA, 2004, p. 2).

These expected results of the initiative at hand provide quite a clear analytical evaluation framework within which the assessment can be performed; outcomes are assessed with regard to the enhanced accountability of local officials as against the quality of service delivery, etc. This is basically the evaluation approach adopted in this research.

The second issue, related to the standards needed to evaluate outcomes, is more delicate. In the absence of a baseline study, how does one measure, for instance, on a scale of 0 to 10, whether the OSS has created “a substantial change in the relationships and problem-settling procedures between State administrative agencies and organizations as well as citizens”? Or, how does one measure whether the OSS has improved “the accountability and behaviors of cadres and civil servants towards citizens and organizations”, on a scale of 0 to 10? Is my perception and judgement, as an external observer, the same as that of a Vietnamese citizen? Most likely not!

Aware of a potential cultural and educational¹²² bias, the evaluation standards of the indicators were set after extended consultations with the SDC program officer in charge of the OSS program, and who had a broad experience and knowledge of administration issues in Vietnam. Secondly, in order to soften the cultural bias and complement my observations, I also balanced my personal

¹²² By educational bias, I mean the fact that while being a Swiss citizen accustomed to a given quality of services delivery, as an evaluator I may be tempted to assess quality standards in Vietnam based on my own personal experience as a service user in Switzerland.

judgement against the feedback collected from the policy stakeholders (i.e., canvass the policy beneficiaries and direct stakeholders). For this research, 313 OSS customers were in fact surveyed. Their input was carefully balanced against my own personal assessment in order to set the standard against which most indicators were assessed.

As an example, I can cite the quality of information regarding service fees, delivery time limits, and conditions for application posted on the information boards on the premises of the OSS. Based on my own personal standards, in most cases, the information was of poor quality; however, in general terms, it was considered by OSS clients as moderately positive (see indicator: visibility related to service fees, delivery time limits, and conditions for application of dossiers, that scored 5.6 points on the OSSPI).

Although citizen perception was that information boards were certainly important to enhance transparency, but not very effective with regard to informing citizens of administrative procedures (customers still prefer to access information about services by directly asking OSS staff because they have neither used nor are they familiar with administrative concepts and language), for the first time they had a picture of service fees, time limits, and conditions for application, and in their eyes this was a positive achievement.

2.2 Institutional political analysis, pros and cons

The institutional political analysis adopted in this thesis has shown itself to be a successful approach to explaining policy outcomes on the ground. Using, as a case study, an initiative meant to infuse good governance principles, it has also succeeded in gaining understanding of the policy rationale, design, and effects.

Institutional analysis has proven to be sufficiently flexible to capture rational, historical, and cultural dimensions in the explanation of governance-related issues in a political perspective. While the institutional analysis adopted in this research is mainly rooted in a rational choice perspective, historical and cultural elements have been easily integrated into the analysis.

However, institutional analysis, particularly that rooted in rational choice conceptual frameworks, suffers from methodological limitations.

First of all, as noted by Schmidt (2010) this approach tends also to be too *deterministic*, given that it explains events, behaviors, decisions, and actions, as a causally determined chain of prior occurrences resulting in only one possible state at any point in time. Rational choice institutionalism is also *intentionalist* because it “assumes that rational actors not only perceive the effects of the institutions that affect them but can also create and control them” (p. 4).

This approach, adds the scholar, also tends to be highly *deductive*, where the formation of stakeholders’ strategic interests and positioning with regard to a policy are deducted from general premises. Actors are in fact expected to react quite similarly to similar institutional incentives and enforcement mechanisms; methodologically speaking, this implies that such approach is likely to elude the possibility of capturing alternative behaviors or actions (Schmidt, 2010).

While the analytical approach adopted in this research has permitted, in relatively simple and clear terms, to shed light on how policy outcomes are

determined by the capacity of stakeholders to influence them according to their strategic interests, the analysis presented in this research tends to point to deceptive policy outcomes. In fact, the assessment showed that power balance favors those actors that are against the proper implementation of PMD181; the analysis came to this conclusion given that the most powerful commune level stakeholder, i.e., the PC Chairman, has key strategic interests not to have the initiative properly adopted. While this was not observed, it could be envisioned that for any given particular reason, PC Chairman is committed to support OSS initiative, although this goes against his strategic interests. The framework, as previously mentioned, is not suited to capture this kind of alternative behavior.

Institutional analysis, when performed at the political regime level such as the analytical entry point adopted in this thesis, presents additional shortcomings. As the level of analysis pertains to organizational-level outcomes, individual-level variables (e.g., personal charisma, leadership, and persuasiveness) and outcomes (e.g., effects of the institutions on individual-level power resources) are not considered (Rowlands, 1995).

In an institutional perspective, personal attributes are clearly downplayed, although it is believed that they still may play a role in explaining policy outcomes. To consider personal power attributes as additional explanatory variables of policy outcomes would imply, for instance, that one considers that personal charisma, along with the current explanatory variables, contributes to explaining policy outcomes at commune level. If this were the case, then personal attributes could be considered not only at local level (e.g., the leadership of the commune level PC Chairman), but also at central level, assuming, for instance, that a charismatic political leadership in Hanoi could make a difference in terms of local governance processes.

Another main shortcoming of rational choice institutional analysis is that it is best suited to explaining why change does not occur instead of explaining why it can occur. As pointed out by Peters (2000b, p. 7), institutional theory is "inherently static while the world of politics, which it seeks to explain, is almost inherently dynamic". According to institutionalists, an alteration of the societal power balance (either due to exogenous or endogenous change agents) triggers the reaction of power holders that will use their institutional power to contain such changes by modifying institutions according to their strategic interests (see, for instance, Moe, 2005). If power holders succeed in adapting institutions, then institutional change will occur in discretionary terms; this is in fact managed within the institutional setting, is steered by power holder themselves, and is done in a way so as to serve their strategic interests. In contrast, if power holders do not succeed in containing the effects of the alteration of the societal power balance (because the institutional environment does not provide the enabling incentives), then the institutional status quo is maintained.

The rational choice institutional framework explains why the analysis performed in this research points to the conclusion that Vietnamese regime and institutional environment are not suited, for the moment at least, to supporting institutional changes meant to empower citizens. An analytical framework based upon alternative theoretical premises could have led to a more encouraging conclusion.

3. Policy implications for OSS initiators

The institutional assessment performed in this research points out that the institutional environment within which the OSS program is adopted lacks the right enabling incentives for its successful implementation. For the initiators of this initiative, the lessons learned, and the implications, are multiple.

Good governance initiatives and, more in general, public administration reforms create resistance among those actors that are penalized by the adoption of the program. *Per se* this is not a surprise, since any policy creates winners and losers and both struggle to preserve their strategic interests. What is significant for public administration reforms is that the overall implementation picture is complicated by the fact that they take place in a particularly hostile environment. The actors that are responsible for implementing these programs are also those that face negative incentives to do adopt such initiatives (“orthodox paradox”). Bureaucrats also operate in a context of service delivery monopoly and have at their disposal technical knowledge and information that gives them a comparative advantage over stakeholders when it comes to influencing governance processes. Structurally speaking, power balance is therefore naturally in favor of bureaucrats or, in the case of Vietnam, the Executive, since in the Party-state of Vietnam, there is no clear distinction between local administrations and executive bodies.

As discussed in the previous section, in the long run, OSS may also unleash enabling forces from citizens and from upper level authorities that pressure local officials to properly adopt the OSS program. I have also pointed out that the institutional analysis performed in this research suggests that in the current political regime, space for citizen contestations is practically inexistent at commune level and therefore, the chances that citizen pressure may bring about a change in the governance process are very meager. Based on the same institutional analysis, a more promising way to discipline commune level authorities on the other hand is to enhance the control exerted by upper level authorities.

In such perspective, the implications for OSS initiators – and this can also be applied to other reforms such as the Grassroots Democracy – is to identify and implement those incentives and enforcement mechanisms that would favor effective downward control over lower level Executives.

Good governance outcomes, as substantiated in this research, depend on the capacity of stakeholders to influence them thanks to their relative institutional power. The institutional context (*de jure* and *de facto*), the administrative-, organizational-, and legal environments as well as the policy characteristic all come into play to determine the relative power balance of stakeholders. Adequately reforming such areas is not just a matter of “political will” (Fritzen, 2006); it also requires a set of technical capabilities at central- and local level that are not necessarily available throughout the whole country and in all levels of the administration (Fforde, 2003; Fritzen, 2002, 2003, 2006).

The complexity of elements involved in reforms also points out that positive effects of governance reforms can be rationally expected only in the long run. Changing, for instance, Vietnamese political culture (see the analogy of the

family where the Party plays the role of the parents while the citizens are the children) and bringing about an improvement in the legal-, administrative-, and organizational frameworks is a long-term process.

Additionally, OSS findings also call for the need to ground good governance reforms in a comprehensive reform strategy, where positive incentives have to be designed so as to make sure that resistance from powerful power blocs is contained. For instance, for as long as the level of salary of civil servants remains unaligned with the cost of living, abusive practices such as petty corruption cannot be expected to be tackled successfully.

The findings point out that given localities perform better, in relative terms, than others (see the OSSPI). This should alert reformists that given local contexts are more suitable for positive policy outcomes than others, and this calls for an implementation strategy that is targeted and sequential.

For instance, the level of urbanization as well as the proximity to important political centers seem to be correlated to relatively better OSS outcomes, (both hypotheses should, in fact, be tested). PMD181, on the contrary, tends to go for a *big bang approach*, where the implementation of the delivery mechanism is expected to take place throughout the whole nation and across all administrative levels, regardless of local structural conditions. This implies a waste of important resources that, in an opportunity cost perspective, could be used more efficiently and more effectively elsewhere.

4. Areas for further research

As mentioned, data used to assess OSS outcomes on the ground were collected roughly between 6 months and 1 year after OSS adoption. Given the short time span, it can be argued that the OSS initiative did not have sufficient time to deploy its full effects, and this explains its poor results. It would be necessary to update the empirical data and see whether OSSPI performs better today, after nearly 5 years of adoption.

If this is the case, this would indicate that pressures on commune level authorities from above (upper level authorities that use quality standards provided by OSS to appraise commune performance) and from below (a more acknowledged and demanding population) have had the effect of pushing the Executive to better adopt PMD181. If OSSPI does not perform any better, this would suggest that the overall institutional framework still does not provide at commune level the enabling conditions, as the conclusion of this research tends to suggest, for such reforms to succeed.

Also interesting would be to enquire whether the strategic positioning of OSS stakeholders vis-à-vis the initiative has been modified and whether power distribution has affected their relative power balance. Further research needs to be carried out in order to understand if and how the process of institutionalization of OSS outcomes at commune level affects power structures and stakeholders' interests.

Second, the methodological approach adopted in this research did not focus on the distinction between commune responses to the OSS initiative. While the analytical model explains why, on average, the OSS program performs poorly

(the average score is 3.5 out of 10) and why the distribution of OSSPI is quite narrow - that is, (i) the effect of the institutional set up, (ii) the organizational-, administrative-, and legal environments, as well as (iii) PMD181 content - the model is not suited to capture why local outcomes, although quite similar, are nevertheless different (OSSPI is included in a range from 2 to 4.6 out of 10).

Put differently, the analytical model does not explain why the capacity of stakeholders to influence OSS outcomes in, for example, Cao Lanh commune, Dong Thap province (which scores an OSSPI of 2.5) is different from the capacity of stakeholders to influence OSS outcomes in, for example, My Hao commune, Tra Vinh Province (where the OSSPI equals 3.9), despite the fact that they are subject to the same source of institutional powers.

In order to explain why the power balance of stakeholders in a given commune is different from that in another commune, in each given commune also the explanatory variables should be measured. It would be of scientific interest to complete current primary data with additional research so as to understand how and why the explanatory variables of OSSPI differ from one commune to another.

In the same vein, the focus of the institutional analysis hereafter performed is that of the political regime. Authorities' relationships have, in fact, been analyzed based on the Constitution and other regime-level mechanisms (e.g., the use of complaints and denunciation devices, the Judiciary set up, the *de jure* and *de facto* authority relationship between PCnls and PCs, the vote of confidence, etc.). Primary data at my disposal did not allow me to integrate provincial- and district-level contexts and how they influence the power balance of actors at commune level. It is believed that institutionally-related sources of power at district and provincial level would valuably complete the current institutional analysis, allowing us to gain a more precise understanding of the capacity of stakeholders to influence OSS outcomes at commune level.

The institutional analysis adopted in this thesis uses data from 18 communes. The quantity and quality of data are adequate to perform an institutional analysis; a larger number of data, however would provide us with a more representative sample of communes and, if deemed interesting, allow us to perform simple but valuable statistical correlations. For instance, with the exception of one case, the localities that score an OSSPI below the average are all rural localities. Intuitively speaking, and in line with literature and empirical observations (UNDP, 2006), one can assume that owing to the level of awareness of citizens in governance and administrative-related matters (e.g., better access to information via the media and other means, better access to legal aid services and lawyers, better education, etc.), the power balance in urban settings is not that much in favor of the PCs, unlike in rural areas, where uninformed and less sophisticated citizens are relatively powerless vis-à-vis local officials.

It can also be expected that in areas geographically close to important political centers, the proximity of central level authorities and top CPV officials would exert greater pressure on commune level officials to comply with PMD181. This assumption may explain why the two OSS assessed in Hanoi City rank at the top of the list of OSSPI.

Given the insufficient number of case studies, it is not possible to correlate such data and assess their relative weight in determining the capacity of each stakeholder in influencing OSS outcomes. A larger pool of data would overcome such analytical shortcoming and provide valuable scientific information.

ANNEXES

1. Decision and regulation 181 1.1 Decision No. 181/2003/QD-TTg

THE PRIME MINISTER

SOCIALIST REPUBLIC OF VIETNAM
Independence – Freedom - Happiness

No. 181/2003/QD-TTg

Ha Noi, September 4, 2003

THE PRIME MINISTER

Pursuant to the December 25, 2001 Law Organization of the Government;
Pursuant to the Government’s Resolution No. 38/CP of May 4, 1994 on reforming for one further step the administrative procedures in settling citizens’ and organizations’ problems;

Pursuant to the Prime Minister’s Decision No. 136/2001/QD-TTg of September 17, 2001 approving the overall program on State administrative reform in the 2001-2010 period;

At the proposal of the Minister of Home Affairs,

DECIDES:

Article 1: To promulgate together with this Decision the Regulation on implementation of “one-door” mechanism in local State administrative agencies.

Article 2: This Decision takes implementation effect 15 days after its publication in the Office Gazette.

The Minister of Home Affairs shall have to monitor and examine the implementation of this Decision.

Article 3: The ministers, the heads of the ministerial-level agencies, the heads of the agencies attached to the Government and the presidents of the People’s Committees of the provinces and centrally-run cities shall have to implement this Decision.

**PRIME MINISTER
(Signed)**

Phan Van Khai

REGULATION ON IMPLEMENTATION OF “ONE-DOOR” MECHANISM IN LOCAL STATE ADMINISTRATIVE AGENCIES

*(Promulgated together with the Prime Minister’s Decision No.181/2003/QD-TTg of
September 4, 2003)*

Chapter I

GENERAL PROVISIONS

Article 1: This Regulation prescribes the application and implementation of “one-door” mechanism as well as the process of settling problem according to “one-door” mechanism in local State administrative agencies.

1. “One-door” means a mechanism for settling citizens’ and/or organizations’ problem, which fall under the competence of State administrative agencies, from the reception of requests and dossiers to the return of results through one body being the “request-receiving and result-returning sections” in State administrative agencies.

2. The implementation of “one-door” mechanism aims to create a substantial change in the relationships and problem-settling procedures between State administrative agencies and organizations as well as citizens, reduce troubles for organizations and citizens, combat red-tape, corruption and authoritarianism among State official and employees, and raise the effectiveness and efficiency of the State management.

Article 2: “One-door” mechanism is applied in local State administrative agencies, concretely the provincial/municipal People’s Committees (the provincial/municipal Services and Department as well as Offices of the People’s Councils and People’s Committees); the People’s Committees of rural and urban districts as well as provincial towns and cities; and the People’s Committees of communes, ward and district townships.

Article 3: “One-door” mechanism is implemented on the following principles:

1. Administrative procedures being simple, clear and lawful;
2. Publicizing administrative procedures, charges, fees and time for settling organization’s and citizens’ problems;
3. Receiving requests and returning results at the request-receiving and result-returning sections;
4. The coordination among relevant sections in settling organizations’ and citizens’ problem being the responsibility of the State administrative agencies;
5. Ensuring the speedy and convenient settlement of organizations’ and citizens’ problems.

Article 4: “One-door” mechanism is implemented in the following domains:

1. In the provinces and centrally-run cities: The approval of domestic and foreign investment projects, the consideration and approval of provision of capital construction capital, the granting of business registration certificates to enterprise, the granting of construction permits, the granting of dwelling house ownership and land use right certificates, land lease, and the settlement of social policies.

2. In rural and urban districts as well as provincial towns and cities: The granting of business registration certificates to individual business households, the granting of

construction permits, the granting of dwelling house ownership and land use right certificates, household registration, notarization and social policies.

3. In communes, wards and district townships: The construction of dwelling houses, land, civil status, and authentication.

Article 5: Apart from the provisions in Article 4, the presidents of the provincial/municipal People's Committees shall base themselves on the practical situation in their respective localities to decide on the selection of other working domains for the application of "one-door" mechanism.

Chapter II

RESPONSIBILITIES TO IMPLEMENT "ONE-DOOR" MECHANISM

Article 6: The presidents of the provincial/municipal People's Committees shall have the responsibilities:

1. To issue decisions on the application of "one-door" mechanism to various working domains at local administrations of different level according to the provisions of Article 4 and 5 of this Regulation.

2. To uniformly prescribe the procedures and order for settling problems of the types eligible for the application of "one-door" mechanism on the basis of law observance, and at the same time annul the unnecessary regulations promulgated by localities, which cause troubles to organizations and/or citizens.

3. To prescribe the time volumes for settling different problems, the charges and fees to be collected according to law provisions.

Article 7: The heads of the provincial-level professional agencies, the presidents of the district-level People's Committees and the presidents of the commune-level People's Committees shall have the responsibilities:

1. To promulgate working regulations which prescribe the process of transferring, processing, submitting for signing, and returning dossiers to the request-receiving and result-returning sections; the responsibilities of relevant sections in implementing the "one-door" mechanism; and the responsibilities of State officials and employees working in the request-receiving and result-returning sections.

2. To publicly post up regulations, administrative procedures, charges, fees and time for settling various problems at the request-receiving and result-returning sections.

3. To arrange State officials and employees to work in request-receiving and result-returning sections who have high qualifications, good moral qualities and capability to communicate with organizations and citizens. State officials and employees working in request-receiving and result-returning sections must wear State officials' and employees' cards with their full names and titles clearly inscribed. On their working desks there must be boards clearly inscribed with types of problems to be settled, for example, that related to land, construction, notarization or business registration,...

4. To arrange working rooms of the request-receiving and result-returning

sections with appropriate and adequate working conditions.

5. To provide training on professional and communication skills for the contingent of State officials and employees directly working in the request-receiving and result-returning sections.

6. To apply appropriate forms of notification and propagation so that organizations and citizens are aware of the operations under “one-door” mechanism in their respective localities.

Article 8: The request-receiving and result-returning sections in the provincial-level Services and Departments shall be located in the Administrative and General Affairs Bureaus and subject to the management by the Administrative and General Affairs Bureaus.

The district-level request-receiving and result-returning sections shall be located in the Offices of the district-level People’s Councils and People’s Committees and subject to the management by the Offices of the district-level People’s Councils and People’s Committees.

The commune-level request-receiving and result-returning sections shall be located in the Offices of the commune-level People’s Councils and People’s Committees and subject to the management by the Offices of the commune-level People’s Councils and People’s Committees.

Article 9: The ministries, the ministerial-level agencies and the agencies attached to the Government shall have to submit to the Government the regulations on decentralization of tasks in their respective branches or domains to the People’s Committees of different levels; and clearly prescribe the administrative procedures for settling organizations’ and citizens’ problems.

Article 10: Funding for the implementation of “one-door” mechanism shall be estimated by relevant agencies and allocated from the State budget.

Chapter III

PROCESS FOR SETTLING PROBLEMS ACCORDING TO “ONE-DOOR” MECHANISM

Article 11: Organizations and citizens requesting the settlement of their problems shall directly contact the request-receiving and result-returning sections.

Article 12: State officials and employees working in the request-receiving and result-returning sections shall have to consider organizations’ and/or citizens’ requests and dossiers:

1. To receive dossiers and issue the receipts thereof, make appointments for returning results according to regulations. If dossiers are incomplete under the regulations, to provide detailed guidance for organizations and citizens to supplement and complete them.

2. In cases where organizations' and/or citizens' requests fall beyond their scope of settlement, to guide such organizations and/or citizens to go to competent State agencies for settlement.

Article 13: The request-receiving and result-returning sections shall have to transfer organizations' and/or citizens' dossiers to relevant functional sections for settlement.

Article 14: Relevant sections shall have to settle organizations' and/or citizens' dossiers transferred by the request-receiving and result-returning sections, submit them to competent leaders for signing and transfer them back to the request-receiving and result-returning sections strictly within the prescribed time limit.

Article 15: The request-receiving and result-returning sections shall receive back the settlement results and return them to the concerned organizations and citizens according to the appointment time, collect charges and fees on matters from which charges and/or fees can be collected according to law provisions.

Article 16: In cases where dossiers are settled not within the committed time limit, the request-receiving and result-returning sections shall have to notify the concerned organizations and citizens of the reasons thereof and make new appointment for returning the results.

Chapter IV

IMPLEMENTATION PROVISIONS

Article 17: The presidents of the People's Committees of the provinces and centrally-run cities shall have to direct and organize the implementation of "one-door" mechanism as from January 1, 2004 for the provincial and district levels and from January 1, 2005 for the commune level; and annually make a final review and evaluation thereof and send reports thereon to the Ministry of Home Affairs for summing-up and further report to the Prime Minister.

Article 18: The Minister of Home Affairs shall assume the prime responsibility and coordinate with the concerned ministries and branches in monitoring and examining the implementation of this Decision.

In the course of implementation, if any difficulties or problem arise, the provincial/municipal People's Committees should promptly report them to the Ministry of Home Affairs for consideration and settlement.

**PRIME MINISTER
(Signed)**

Phan Van Khai

2. List of services to be provided at commune level

2.1 Comprehensive list of administrative services that shall be provided at commune level

N°	Group of services	Services
1	Services of construction	1. Confirm dossier of registering house ownership 2. Grant house construction license
2	Services related to land	3. Confirm land lease contract of households and individuals 4. Confirm heritage of land use right 5. Confirm contract of land use right transfer for households and individuals 6. Register to guarantee/abolish too guarantee for the value of land use right for households and individuals 7. Confirm the joining capital in a business by the value of land use right for households and individuals 8. Register the mortgage/abolish the mortgage of the value of land use right for households and individuals 9. Authenticate the authorization of registering land use right for households and individuals 10. Register to land for lease and land use right for hire for households and individuals 11. Register to join capital in a business by the value of land use right for households and individuals 12. Authenticate the authorization of implementing rights of land user for households and individuals 13. Confirm contract of land use right transfer 14. Initially register for land 15. Register to transfer the land using purpose, land changing 16. Identify the situation of the disadvantaged, poverty, accidents, diseases 17. Confirm for the status of land that is extra-planned area or without disputation 18. Register land use right for institutions 19. Register activity of leasing land and releasing land for institutions
3	Services of civil status registration	20. Punctually register for birth declaration 21. Overdue register for birth declaration 22. Register for birth declaration again 23. Register for marriage 24. Register for marriage again 25. Register for death declaration 26. Register for death declaration again

		<ul style="list-style-type: none"> 27. Overdue register for death declaration 28. Granting death statement 29. Granting permission for burying 30. Confirm marital status 31. Register for adopting children 32. Register for adopting children again 33. Register to be a natural guardian 34. Register to change or stop guardian 35. Register the recognition of parents and daughter/son 36. Register the change, civil status modification or re-identification of ethnic 37. Register to guardian 38. Confirm the selling, exchanging, leasing, lending, loaning, mortgaging, pawning, depositing of high value assets of guarded person
4	Services related to notary and authentication	<ul style="list-style-type: none"> 39. Authenticate signatures 40. Authenticate testament 41. Certify refusal text of reception of inherited assets
5	Services related to social insurances, social affairs and policies	<ul style="list-style-type: none"> 42. Confirm and appraise dossiers of death compensation for the dead entitled monthly social insurance pension 43. Prepare dossier granting funeral allowance for dead cadre entitled monthly pension at commune/ward/town district 44. Prepare dossier of lump-sum pension for commune/ward/town district cadres 45. Prepare dossier of monthly allowance for commune/ward/town district cadres 46. Confirm and appraise dossier of dead compensation policy for employees who die within the period of waiting for retirement 47. Confirm the request paper for the changing of certificates « Merits acknowledging Motherland » for the martyrs' parents or those who are worshipping martyrs 48. Confirm copies notifying revolutionary martyr 49. Confirm the situation of parents / relatives of revolutionary martyr family 50. Confirm the position, time of revolutionary participation of the witness 51. Confirm personal declaration 52. Certify people having revolutionary merits to Center of support 53. Attest and submit competent agency for its the decision on loaning from national fund for supporting employment generation 54. Attest and submit competent agency for subsidizing subjects who stop receiving pension for labor power loss

		<p>55. Attest and submit competent agency for its requesting of forgiving debt for projects getting loans from National Fund for jobs generation</p> <p>56. Carry out policies for revolutionary participants imprisoned by the enemy</p> <p>57. Check and submit competent agency for its decision of subsidy to the persons who participated into the revolution and their children being infected toxic orange chemical used by American troops during the War in Viet Nam</p> <p>58. Carry out the monthly allowance for relatives of old revolutionary men, revolutionary martyrs, children of war invalids and soldiers with war-caused diseases</p> <p>59. Send war invalids to be re-examined their war-pains</p>
6	Services of nationality	<p>60. Confirm the declaration of individual's date of birth, place of birth, fatherland, place of residence; full name, age, nationality, place of residence of parents and origin of the family</p> <p>61. Grant confirmation paper on time of residence, place of residence, employment, legal income or assets status of foreigners permanently living in Viet Nam</p>
7	Services of tax	62. Grant certificate of tax for people going abroad
8	Services of judiciary history records	63. Confirm the authorization letter of carrying out procedures for judiciary CV granting.
9	Services of veterinary work	64. Attest application for licensing veterinary service practice
10	Services of cultures, information and advertisement	65. Grant license for operating business in fields of video and discs
11	Services of natural resources and environment	<p>66. Confirm the letter asking for permission to explore underground water for institutions or individuals who are without juridical personality and stamp</p> <p>67. Confirm agreement between institutions, individuals exploring underground water for institutions or individuals entitled the right to use land with explored wells</p>
12	Other services	<p>68. Confirm the Request for dealing with traffic accident.</p> <p>69. Confirm personal background CV.</p> <p>70. Confirm the narration letter.</p> <p>71. Confirm student enrolling letter.</p> <p>72. Confirm the application for driving license test.</p> <p>73. Confirm application for telephone installment.</p> <p>74. Confirm the guarantee paper.</p> <p>75. Confirm papers of selling, presenting car or motorbike.</p> <p>76. Confirm the Letter of asking for changing the painting color of car.</p> <p>77. Confirm for receiving money or package at the post office.</p>

		78. Confirm status of tax for people going abroad. 79. Manage activity of animal healthcare.
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Source: Legal department, Quand Binh Province

3. Questionnaires

3.1 Questionnaire A - PC Chairman and OSS manager

Commune, District and Province names: / **Date:**

Interviewee full name:

Interview attendants:

1. Environment (5 min)

- 1.1. Commune population:
- 1.2. Area description (upland, lowland, costal, mountainous, etc.):
- 1.3. Commune per capita income:
- 1.4. Poverty rate:
- 1.5. Distance of the most remote village from the Commune OSS:
- 1.6. Ethnic minority:

2. Background (7 min)

- 2.1. When was the OSS opened
- 2.2. Why did the Commune PC official decide to open the OSS?
- 2.3. If any, what kind of support external technical advisers provided?

3. Range, quantity and services delivery terms of solution (15 min)

- 3.1. Please fill the following table

N°	Group of services	Services	Delivered by the OSS?	Quantity of services / month	% of services delivered that exceed the terms of solutions' regulation
1	Notarization, authentication	-			
2	Business licensing	-			
3	Land administration	-			
4	Social services	-			
5	Construction permits	-			
6	Other	-			

3.2. Who decide which services should be provided by the OSS?

3.3. Has the number of services changed since the opening of the OSS? If yes, why?

3.4. In addition of those already provided, which new services could be added to the OSS that are not currently delivered?

4. Organization and management issues (15 min)

Organization

4.1. Who is the OSS manager?

4.2. Please fill in the following table

N	Group of services	Nb. of OSS staff in charge of receiving and returning the services	Nb. of functional officers in the professional bureaus in charge of processing the services	OSS week's days service provision
1	Notarization and authentication			
2	Business licensing			
3	Land administration			

4	Social services			
5	Construction permits			
6	Other			

4.3. Does the OSS have any permanent staff?

4.4. Has the number of OSS staff changed since the opening of the OSS? If yes, why?

Daily management

4.5. How often the OSS held staff meetings? What for?

4.6. Are the OSS operational guidelines provided by MoHA useful?

4.7. How could the OSS operational guidelines provided by MoHA be further improved?

Performance management and reporting

4.8. To who is addressed the performance reporting of OSS? On which basis time? (please provide a copy of the reporting)

4.9. Which performance indicators are included in the report?

Clients' complaints and suggestions management

4.10. How do clients address complaints with regard to OSS?

4.11. And suggestions for improvement concerning the OSS?

4.12. According to which procedure are clients' complaints and suggestions for OSS improvements followed up?

4.13. Which are the main complaints formulated by the OSS clients?

Satisfaction surveys

4.14. When was the last time that OSS carried out an OSS client's satisfaction survey?

4.15. When was the last time that OSS carried out an OSS staff satisfaction survey?

Management practices

- 4.16. When a new legal regulation concerning the OSS is issued or amended, how do you get to know it?
- 4.17. Which are the main difficulties in managing the OSS in an area populated with ethnic minority communities / remote areas villagers?
- 4.18. How does the OSS deal with those difficulties?
- 4.19. What kind of support the PC currently provides to the OSS in order to ensure its quality?
- 4.20. Is the current support provided by PC adequate?
- 4.21. Could you please list all the improvement measures that OSS has already introduced?
- 4.22. What are the concerns and the recommendations of the members of People Councils with regard to the performance of OSS and the corrective measures that have been taken?

5. Staffing issues (15 min)

Staff management

- 5.1. Based on which criteria is the OSS staff selected/recruited?
- 5.2. Based on which criteria is the OSS staff evaluated?
- 5.3. When was the last time that OSS staff has been evaluated?
- 5.4. Does the OSS provide to its staff a job description?
- 5.5. Do staff members receive an extra incentive for working on OSS?

Staff training

- 5.6. What is the educational background of the staff working in the OSS?
- 5.7. In which domain the OSS staff still lack of capability?
- 5.8. Beside the training provided by SDC, when was the last time that the OSS staff followed a training course?
- 5.9. What was the training about?
- 5.10. Rate your degree of satisfaction with the staff training?
- 5.11. Beside the training provided by SDC, when was the last time that the OSS manager followed a training course?
- 5.12. What was the training about?

- 5.13. Rate your degree of satisfaction with the training?
 5.14. What kind of training do you expect for the next future?

6. Administrative services delivery procedure (5 min)

- 6.1. Most of services related to land administration and construction affairs are initiated at Commune level and need to be completed at District or Provincial level. How is transferred the dossier from the Commune to the District and from the Commune to the Province?
 6.2. What would you suggest in order to simplify the dossier's transfer from the Commune to the District and to the Province, and from the Province back to the Commune?
 6.3. If the Commune OSS were asked to take in charge the transfer of the dossier from the Commune up to the Province competent authorities, how would you organize this service?

7. Communication from and toward citizens (10 min)

- 7.1. Do citizens address questions to the OSS other than those related to the services provided by the OSS?
 7.2. Please list all the information that OSS provides to the citizens, beside the OSS information board?

8. Financial issues (10 min)

- 8.1. Has the Commune adopted a block grant allocation? If yes, since when?
 8.2. Which are the main impacts in managing the OSS with a block grant allocation budget?
 8.3. How does the OSS assure the OSS maintenance costs? Where does the money come from?
 8.4. Does the OSS charge to clients the amount of fees as displayed on the information board? If not, why?
 8.5. Please fill the following table

N	Group of services	% of monthly fees returned by the Treasury to the PC Commune
1	Notarization and authentication	
2	Business licensing	
3	Land administration	
4	Social services	
5	Construction permits	

6	Other	
---	-------	--

8.6. How are used the OSS fees returned by the Treasury to the PC Commune

9. Facilities and equipment (2 min)

9.1. How do you rate the following:

9.1.1. OSS waiting area size and comfort

9.1.2. OSS working space for staff

9.1.3. OSS staff tools and equipment for processing clients' requests?

10. Final remarks (10 min)

10.1. How could the Commune PC further improve its support to the OSS in order to insure its quality and sustainability?

10.2. Which are the main improvement measures that could be promoted in the OSS in order to still improve the services to the clients?

10.3. Which are the main obstacles for introducing such improvement measures?

10.4. Which are your main concerns for the OSS next future?

To be filled by the consultant

Topic	Quality	Location	Comments
OSS venue and reception area			
OSS facilities and equipment			
OSS information board			
Other			

Strengths	Weakness
Opportunities	Threats

--	--

Comments

3.2 Questionnaire B - Commune head of section and functional officers

Commune, district and Province names: / / Date:

1. Staff Profile

Sex: <input type="checkbox"/> Male <input type="checkbox"/> Female	Literacy:	<input type="checkbox"/> Junior secondary school	<input type="checkbox"/> College graduate
Age:....	<input type="checkbox"/> No school	<input type="checkbox"/> Senior secondary school	<input type="checkbox"/> Post graduate
	<input type="checkbox"/> Primary school	<input type="checkbox"/> Vocational school	
How long for have you been working for the Commune?			

2. Work Content and Workload

What service domain are you responsible for?			
On average, how many request do you receive a month?			
How long does it take to process one service?			
Do you have a job description concerning your working activities in the OSS?		<input type="checkbox"/> Yes	<input type="checkbox"/> No
Why?			
Do you consider the OSS operational guidelines provided by MoHA useful for your working activities?		<input type="checkbox"/> Yes	<input type="checkbox"/> No
Why?			
In addition of the service domain you are responsible for, what other activities do you handle?			
Please rate your workload		<input type="checkbox"/> Too heavy	<input type="checkbox"/> Relatively heavy <input type="checkbox"/> Relatively low <input type="checkbox"/> Too low
Why?			
Please provide any additional comment:			

3. Internal Support

Please rate the cooperation among the OSS staff in handling clients requests		<input type="checkbox"/> Very satisfied	<input type="checkbox"/> Relatively satisfied	<input type="checkbox"/> Relatively unsatisfied	<input type="checkbox"/> Unsatisfied
Why?					

If not satisfied, what do you suggest in order to improve the cooperation among the staff?	
Do you provide support to other OSS staff?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If no, why?	
<input type="checkbox"/> I have no time because I am too busy myself	
<input type="checkbox"/> I do not know how to handle the services they are responsible for	
<input type="checkbox"/> Other(s):	

4. Staff Development

Do you need anything else to make you more efficient in the present job?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If yes, what else do you need?	
If you are given the chance to attend training during the next 6 months, what courses would you take?	
Have you attend any training courses this year?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If yes, please specify the content and the duration of the training. If no, please explain why	

5. Facilities and Equipment

Is your working place convenient and comfortable?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If no, what do you suggest in order to improve the comfort and the convenience of your working place?	
Do you have adequate tools for processing clients' requests?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If no, please specify the tools that you need?	
Is the maintenance of the current OSS facilities and equipment adequately assured?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Please provide any additional comment	

6. Job Satisfaction

Please rate your job satisfaction	<input type="checkbox"/> Very satisfied <input type="checkbox"/> Relatively satisfied <input type="checkbox"/> Relatively unsatisfied <input type="checkbox"/> Unsatisfied
If not satisfied, why?	
What do you suggest in order improve your job satisfaction?	

7. New services

Which new services should be added at the OSS? Why?

8. Complaints and Suggestions for Improvement

Do you think that OSS has improved the quality of public administration service delivery in your commune?

Why?

9. Additional comments

Please provide any additional comment

To be filled by the consultant

3.3 Questionnaire C - Commune One Stop Shop Clients

Commune and Province names: _____ / _____ Date: _____

1. Client Profile

Sex: Male Female Literacy: Junior secondary school College graduate
 Age:.... No school Senior secondary school Post graduate
 Primary school Vocational school

2. Prior Information

How many times have you visited the OSS before today? Never before Less than 3 More than 3

If today is not the first time that you visit the OSS, which service(s) did you request before? _____

Which service(s) are you requesting today? _____

3. Accessibility

How would you rate the accessibility of the OSS

Very good Relatively good Relatively poor Very poor

Why?

Please provide any additional comment

4. Venue and Facilities

Are you satisfied with the OSS venue and the waiting area comfort?

Very satisfied Relatively satisfied Relatively unsatisfied Unsatisfied

Why?

Please provide any additional comment

5. Transparency

Are the following OSS elements clear and well publicized?

- | | | | | |
|---|-------------------------------------|---|---|----------------------------------|
| Range of services provided by OSS | <input type="checkbox"/> Very clear | <input type="checkbox"/> Relatively clear | <input type="checkbox"/> Relatively unclear | <input type="checkbox"/> Unclear |
| Service delivery timetable | <input type="checkbox"/> Very clear | <input type="checkbox"/> Relatively clear | <input type="checkbox"/> Relatively unclear | <input type="checkbox"/> Unclear |
| Services fees: | <input type="checkbox"/> Very clear | <input type="checkbox"/> Relatively clear | <input type="checkbox"/> Relatively unclear | <input type="checkbox"/> Unclear |
| Services delivery deadline | <input type="checkbox"/> Very clear | <input type="checkbox"/> Relatively clear | <input type="checkbox"/> Relatively unclear | <input type="checkbox"/> Unclear |
| Criteria for service approval/disapproval | <input type="checkbox"/> Very clear | <input type="checkbox"/> Relatively clear | <input type="checkbox"/> Relatively unclear | <input type="checkbox"/> Unclear |
- Why?
Please provide any additional comment

In your opinion, to what degree OSS has reduced corruption and briberies practices in public administration?

- Very high Relatively high Relatively low very low

Why?

Please provide any additional comment

6. Services Delivery

Rate your degree of satisfaction with the following:

- | | | | | |
|-----------------------------|---|---|---|--------------------------------------|
| Services delivery deadline | <input type="checkbox"/> Very satisfied | <input type="checkbox"/> Relatively satisfied | <input type="checkbox"/> Relatively unsatisfied | <input type="checkbox"/> Unsatisfied |
| Services delivery timetable | <input type="checkbox"/> Very satisfied | <input type="checkbox"/> Relatively satisfied | <input type="checkbox"/> Relatively unsatisfied | <input type="checkbox"/> Unsatisfied |

Why?

Please provide any additional comment

Which new services should the OSS provide in addition of those already currently delivered?

7. Staff Support

Rate your degree of satisfaction with the following:

- | | | | | |
|-----------------------------|---|---|---|--------------------------------------|
| Staff professional behavior | <input type="checkbox"/> Very satisfied | <input type="checkbox"/> Relatively satisfied | <input type="checkbox"/> Relatively unsatisfied | <input type="checkbox"/> Unsatisfied |
|-----------------------------|---|---|---|--------------------------------------|

Support provided by the staff

Very satisfied Relatively satisfied Relatively unsatisfied Unsatisfied

Why?

Please provide any additional comment

8. Services Fees

How would you describe the service fees? Expensive Reasonable Cheap

Why?

The cost of the service corresponds to the official fees? Yes Non I do not know

Why?

9. Complaints Reception

If you are not satisfied with the service received by OSS, how would you precede and why?

Why?

10. OSS Overall Satisfaction

In your opinion, to what degree OSS has contributed in enhancing service delivery performance?

Very high Relatively high Relatively low Very low

In your opinion, the overall impacts of the OSS on public administration services delivery are:

Very positive Relatively positive Relatively poor Very poor

Why?

Please provide any additional comment

11. Complaints and Suggestions for Improvement

Please provide any additional comment

3.4 Questionnaire D - Survey on client satisfaction

1. Where are you from (Province and Commune)? _____
2. What is your job (function and employer)? _____

3. In the last 5 years, how many times have you requested a service from the state (e.g.: driving license, residence registration, notification or authentication of documents and contracts, etc...): _____

4. Have you ever heard about the One Stop Shop for public administration services delivery before today?
 Yes No

- 5a. Do the public administration agencies where you live (ward, Commune) operate with a One Stop Shop mechanism?
 Yes No No idea
- 5b. If yes, are services better delivered since the introduction of the One Stop Shop mechanism?
 Yes No Why? _____

6. How do you overall rate the quality of the services provided by civil servants in Vietnam?
 Very satisfied Relatively satisfied Relatively unsatisfied Unsatisfied
 Why? _____

7. In the last years, public administration services delivery in Vietnam has improved
 Very much agree Fairly agree Do not quite agree Totally disagree
 Why? _____

8. If you are not satisfied with the way a civil servant has processed your request, what would you do?
 Formally complain with his/her hierarchical superior
 Ask for the intervention of influential people that you know that could arrange your case
 Pay extra money to improve or influence the way the request is processed
 Nothing
 Other: _____

9a. How often have you been asked to pay extra money (bribe)?

Always If not always, please

provide a percentage: _____ % (50% = half of the times, 0% = never)

9b. The bribe represented which share of the cost of the service: _____ (e.g.: 2X = double the price)

9c. What for you paid extra money? _____

10. In case of wrongdoing, do you think that bureaucrats are sanctioned?

Yes No Do not know

11. If improvements are needed in public administration management, what should be the priorities? (grade 1 most important, 5 less important)?

Improve officials' performance (civil servants need to work faster and better)

Improve commune level operations' transparency

Tackle corruption (extra money required to obtain a service or speed up its delivery)

Improve communication & support (information provided by civil servant to clients)

Other. Please explain _____

12. In your opinion, which are the most urgent measures that the government should undertake in order to improve the performance of civil servants (grade 1 most important, 5 less important)?

Train civil servants

Increase civil servants salary

Improve regulations & legal framework in order to improve transparency and predictability

Hold civil servants and officials more accountable in case of wrong doing

Other. Please explain _____

Other comments: _____

3.5 Guidelines questionnaire E – District/province Department of Home Affairs

1. Has Public Administration services delivery at commune level improved since the OSS? Why?
2. What are the main problems that you have to deal with in relation with OSS operations at commune level? Please explain
3. What are the most urgent structural reforms that need to be taken in order to ensure better public administration services delivery at commune level (responsiveness, transparency and accountability)? Please explain
4. How can the cooperation with upper level agencies (MoHA and DoHA) be improved? Please explain
5. Suggestion for OSS improvement (OSS agency, implementation process, coordination and value added guidance)

4. OSSPI broken down by commune

		Da Nang		Dong Thap			Hanoi		Kien Giang			Ninh Binh		Quang Nam				Tra Vinh		
		Thuan Phuoc	Vinh Trung	Tan Thuan Tay	Phu Duc	Cao Lanh ward n° 2	Doi Can	Ward 2	Mong Tho B	Mong Tho A	Vinh Thanh Van	Quyn h Luu	Cuc Phuo ng	Tan An	Que Minh	Binh Duon g	Tam Phuoc	My Hoa	My Long Bac	
Nb.	Sub-indices indicators	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	Total
1	Transparency	4.5	4.5	3.5	3.5	3.0	5.0	6.0	2.5	3.0	3.5	6.0	7.0	5.0	4.0	3.5	2.5	6.0	4.5	4.3
1.1	Visibility of information related to services fees, delivery time-limits and conditions for application of dossiers	7.0	7.0	5.0	6.0	4.0	7.0	7.0	3.0	4.0	5.0	8.0	6.0	7.0	5.0	5.0	3.0	5.0	6.0	5.6
1.2	Adequacy of information provided to villagers inside and outside the OSS	2.0	2.0	2.0	1.0	2.0	3.0	5.0	2.0	2.0	2.0	4.0	8.0	3.0	3.0	2.0	2.0	7.0	3.0	3.1
2	Responsiveness	3.5	3.3	3.5	1.5	2.5	6.3	5.3	4.8	3.8	4.3	4.3	4.0	4.0	3.8	3.8	4.3	4.3	3.3	3.9

2.1	Adequacy of service delivery to people needs and expectations	3.0	2.0	3.0	2.0	2.0	5.0	3.0	3.0	3.0	3.0	2.0	3.0	4.0	3.0	2.0	4.0	5.0	3.0	3.1
2.2	Lawfulness of charged fees and costs paid by applicant for the delivery of the service (no extra fees accepted)	3.0	4.0	3.0	2.0	2.0	5.0	5.0	5.0	4.0	5.0	4.0	3.0	3.0	4.0	4.0	4.0	4.0	2.0	3.7
2.3	Financial sustainability of OSS	6.0	4.0	6.0	1.0	4.0	8.0	7.0	6.0	3.0	6.0	7.0	6.0	3.0	5.0	5.0	6.0	5.0	5.0	5.2
2.4	Managerial commitment to ensure the performance of OSS	2.0	3.0	2.0	1.0	2.0	7.0	6.0	5.0	5.0	3.0	4.0	4.0	6.0	3.0	4.0	3.0	3.0	3.0	3.7
2.5	Effective mechanisms set up by local authorities in favor to citizens for their participation in decision concerning administrative services delivery related affairs	4.0	3.0	5.0	3.0	2.0	4.0	4.0	3.0	3.0	3.0	3.0	3.0	2.0	2.0	3.0	3.0	2.0	2.0	3.0
3	Accountability	2.5	3.0	3.0	1.0	2.0	2.0	2.5	2.0	2.0	2.5	2.5	2.5	2.0	2.0	2.5	2.5	1.5	2.0	2.2

3.1	Local authority commitment to account for their actions to citizens in relation to OSS	2.0	3.0	3.0	0.0	2.0	2.0	3.0	2.0	2.0	3.0	3.0	3.0	3.0	2.0	3.0	3.0	2.0	2.0	2.4
3.2	Effective oversee of local People Councils over OSS related affairs	3.0	3.0	3.0	1.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	1.0	2.0	2.0	2.0	1.0	2.0	2.0
	OSSPI	3.5	3.6	3.3	2.0	2.5	4.4	4.6	3.1	2.9	3.4	4.3	4.5	3.7	3.3	3.3	3.1	3.9	3.3	3.5

5. OSS stakeholders' strategic interests and relative level of influence of outcomes

		B	A		A*B			
Stakeholder	Stakeholders' strategic interests with regard to PMD181	Level of local power	Strategic interests for the stakeholder	Total sum of interests for stakeholder	Level of influence among stakeholders to determine OSS outcomes	Level of influence among stakeholders to determine OSS outcomes	Relative level of influence among stakeholders (baseline clients)	Relative level of influence among stakeholders (baseline central government and CPV)
OSS clients (citizens)	The OSS program serves the interests of citizens (more transparent, responsive and honest administration)	1.0	2.0	2.0	2.0	2	1.00	0.17
Commune People's Committees	PC Chairman endorses the overall responsibility to set up the OSS and run it	4.0	1.0	-5.0	4.0	-20.00	-10.00	-1.7
	A well performing and honest local administration means higher Party and State organizations' legitimacy and prestige vis-à-vis local citizens	4.0	1.0		4.0			
	Positive impact on local budget because of higher services delivery related revenues: opportunity to finance new local projects	4.0	1.0		4.0			
	Enabling business environment with also positive impacts on local incomes	4.0	1.0		4.0			
	More people abide by the laws and regulations	4.0	1.0		4.0			
	Properly implement Government policies: fulfill its institutional mandate	4.0	1.0		4.0			
	Less opportunity to gain extra income from corruptive practices (petty corruption)	4.0	-1.0		-4.0			
	Manage discontent local bureaucrats because they have lost a critical source of revenue necessary to complement their salary and higher workload	4.0	-2.0		-8.0			

	No more opportunity to compensate State budget shortage with local "ad hoc" fees for PASD	4.0	-2.0		-8.0			
	Greater external exposure of administrative services delivery to the public eye	4.0	-2.0		-8.0			
	Higher expectation by local constituencies with regard to administrative services delivery	4.0	-2.0		-8.0			
	Higher degree of accountability of PC Chairman and functional officers vis-à-vis citizens and local constituents	4.0	-2.0		-8.0			
Functional bureaucrats of the commune administration	More efficient and effective public administration creates a more satisfying working environment	3.0	1.0	-4.0	3.0	-12	-6	-1.0
	Loss of discretionary power: clients do not visit functional offices anymore, bureaucrats lose considerable discretionary power to negotiate directly with clients and extract extra money from them	3.0	-2.0		-6.0			
	Clients more aware of their rights, services fees, provision time limits and conditions for application: loss of discretionary power of bureaucrats	3.0	-2.0		-6.0			
	Increased workload without compensation	3.0	-1.0		-3.0			
Commune People 's Councils	Fulfilling its function of local state representative and its political mandate vis-à-vis citizens. In this regard, it is expected to share the same interests as OSS costumers	2.0	2.0	-1.0	4.0	-2	-1	-0.2
	No more opportunity to compensate State budget shortage with local "ad hoc" extra fees for PASD	2.0	-1.0		-2.0			
	Higher level of accountability of local authorities vis-à-vis citizens and local constituents	2.0	-2.0		-4.0			

Vietnamese Fatherland Front (and other commune mass organizations)	A well performing, fair and accountable administration enhances the prestige of commune Party-state bodies and the legitimacy of the CPV, bringing political and social stability to the commune					-3		-0.3
		3.0	1.0	-1.0	3.0			
	Local administration under the political control of commune CPV properly implement government policies	3.0	1.0		3.0			
	More people abide by the laws and regulations	3.0	1.0		3.0			
	Manage discontent local bureaucrats because they have lost a critical source of revenue necessary to complement their salary and higher workload. Risk to undermine state official support to CPV	3.0	-1.0		-3.0			
	No more opportunity to compensate State budget shortage with local "ad hoc" fees for PASD	3.0	-1.0		-3.0			
	Greater external exposure of administrative services delivery to the public eye	3.0	-1.0		-3.0			
Higher expectation by local constituencies with regard to administrative services delivery	3.0	-1.0		-3.0				
Upper level authorities	A well performing, fair and accountable administration enhances the prestige of the administration and the legitimacy of the CPV, bringing political and social stability	2.0	1.0	-4.0	2.0	-8	-4	-0.7
	An efficient administration enables a supportive environment for economic growth and poverty reduction	2.0	1.0		2.0			
	High risk of provoking unpredictable political and social consequences by discontented and frustrated bureaucrats who have lost a critical source of additional revenue to their salary	2.0	-1.0		-2.0			

	Less opportunity to gain extra income from corruptive practices (petty corruption)	2.0	-2.0		-4.0			
	Manage discontent local staff because of higher workload	2.0	-1.0		-2.0			
	Greater external exposure of administrative services delivery to the public eye. Higher expectation by local constituencies with regard to administrative services delivery	2.0	-2.0		-4.0			
Commune CPV cell	A well performing, fair and accountable administration enhances the prestige of commune Party-state bodies and the legitimacy of the CPV, bringing political and social stability to the commune	3.0	2.0	-2.0	6.0	-6	-3	-0.5
	Local administration under the political control of commune CPV properly implement government policies	3.0	1.0		3.0			
	More people abide by the laws and regulations	3.0	1.0		3.0			
	Manage discontent local bureaucrats because they have lost a critical source of revenue necessary to complement their salary and higher workload. Risk to undermine state official support to CPV	3.0	-1.0		-3.0			
	No more opportunity to compensate State budget shortage with local "ad hoc" fees for PASD	3.0	-1.0		-3.0			
	Greater external exposure of administrative services delivery to the public eye	3.0	-2.0		-6.0			
	Higher expectation by local constituencies with regard to administrative services delivery	3.0	-2.0		-6.0			
Central Government and the central level CPV	A well performing, fair and accountable administration enhances the prestige of the Government administration and the legitimacy of the CPV, bringing political and social stability	3.0	2.0	4.0	6.0	12	6	1.0

An efficient administration enables a supportive environment for economic growth and poverty reduction, that also contributes in shoring up CPV legitimacy	3.0	2.0		6.0			
Successful OSS implementation would indicate that the Government and the CPV are able to exert an effective control over lower level Party-state organizations. A failure, would severely undermine their image and prestige	3.0	2.0		6.0			
High risk of provoking unpredictable political and social consequences by discontented and frustrated bureaucrats who have lost a critical source of additional revenue	3.0	-2.0		-6.0			

6. Commune fact sheets

Administrative unit:	Commune
Commune name:	Phu Duc
District name:	Tam Nong
Province name:	Dong Thap
Social and economic characteristics	
Population	5360
Commune's distance from district's center (km)	5
Area description	Low land
Regional highlights	<p>The province is located in the Southern part of the country and it borders Cambodia. Half of its surface is mountainous; the rest is hilly and lowland with many pockets of marsh.</p> <p>The main economic activities are agriculture and some trading with Cambodia. The whole province counts 1.5 million inhabitants; its surface is 3238 sq km.</p> <p>In the Vietnamese provinces poverty index, Dong Thap province is located in the 2° quintile (the 5° is the poorest)</p> <p>Phu Duc commune is in a remote position with respect to the main road linking Cambodia to Vietnam and therefore it barely benefits from the positive trade impacts with its neighbor.</p>
Commune's poverty rate	16,2%
Ethnic minority area	No
Interviewees	
Persons interviewed	<ul style="list-style-type: none"> ▪ Commune People Committee Chairman

- Commune People Committee Vice Chairman
- District People Committee Vice Chairman
- Head of Department of Home Affairs
- Commune administrator
- Commune employee of functional department in charge of social affairs
- financial aspects
- Four clients

One Stop Shop - fact sheet

OSS historical background

The first delivery mechanism was set up in August 1999.

One Stop Shop performance index

	2
Responsiveness	3.5
Transparency	1.5
Accountability	1.0

Administrative unit:

	Commune
Commune name:	Tan Thuan Tay
District name:	Cao Lanh Town
Province name:	Dong Thap

Social and economic characteristics

Population	10 226
Commune's distance from district's	8

center (km)	
Area description	Low land
Regional highlights	<p>The province is located in the Southern part of the country and it borders Cambodia. Half of its surface is mountainous; the rest is hilly and lowland with many pockets of marsh.</p> <p>The main economic activities are agriculture and some trading with Cambodia. The province counts 1.5 million inhabitants; its surface is 3238 sq km.</p> <p>In the Vietnamese provinces poverty index, Dong Thap province is located in the 2^o quintile (the 5^o is the poorest)</p>
Commune's poverty rate	16,60%
Ethnic minority area	No
Interviewees	
Persons interviewed	<ul style="list-style-type: none"> ▪ Commune People Committee Chairman ▪ Commune People Committee Vice Chairman ▪ District People Committee Vice Chairman ▪ Head of Department of Home Affairs ▪ Commune administrator ▪ Commune employee of functional department in charge of social affairs and financial aspects ▪ Four clients
One Stop Shop - fact sheet	
OSS historical background	The first delivery mechanism was set up in August 1999.
One Stop Shop performance index	
Responsiveness	3.5
Transparency	3.5

Accountability	3.0
----------------	-----

Administrative unit:	Commune
Commune name:	Tan An
District name:	Hiep Duc
Province name:	Quang Nam
Social and economic characteristics	
Population	3015
Commune's distance from district's center (km)	5
Area description	Center of Vietnam
Regional highlights	The province of Quang Nam is situated in the center of Vietnam and it is streaked over an area of 10'750 sq km with the population of 1.3 million. The province crosses Vietnam, from the Lao border to the coastline. The main economic sectors are agriculture, fishery, raw material, minerals, oil and some basic industry (textile). The all area is exposed to flood, draught and storm in the typhoons' seasons. Quang Nam province is located in the 4° quintile in the Vietnamese provincial poverty index (5° is the poorest). The district of Hiep Duc is located in the center of the Province, in the highlands.
Commune's poverty rate	13,29%
Ethnic minority area	No
Interviewees	
Persons interviewed	<ul style="list-style-type: none"> ▪ Commune People Committee Chairman ▪ Commune People Committee Vice Chairman

- District People Committee Vice Chairman
- Head of Department of Home Affairs
- Commune administrator
- Commune employee of functional department in charge of social affairs
- Commune employee of justice functional department
- Four clients

One Stop Shop - fact sheet

OSS historical background The OSS was set up on July 2002

One Stop Shop performance index **3.7**

Responsiveness 5.0

Transparency 4.0

Accountability 2.0

Administrative unit: Commune
 Commune name: Que Minh
 District name: Que Son
 Province name: Quang Nam

Social and economic characteristics

Population 5320

Commune's distance from district's
 center (km) 6

Area description Rural

Regional highlights	<p>The province of Quang Nam is situated in the center of Vietnam and it is streaked over an area of 10'750 sq km with the population of 1.3 million. The province crosses Vietnam, from the Lao border to the coastline. The main economic sectors are agriculture, fishery, raw material, minerals, oil and some textile industry. The all area is exposed to flood, draught and storm in the typhoons' seasons. Quang Nam province is located in the 4° quintile in the Vietnamese provincial poverty index (5° is the poorest). The district of Que Son is located in the center of the province, in the highlands. Given its position, it is one of the most concerned with floods problems</p>
Commune's poverty rate	36
Ethnic minority area	No
Interviewees	
Persons interviewed	<ul style="list-style-type: none"> ▪ Commune People Committee Chairman ▪ Commune People Committee Vice Chairman ▪ District People Committee Vice Chairman ▪ Head of Department of Home Affairs ▪ Commune employee of social affairs functional department ▪ Four clients
One Stop Shop - fact sheet	
OSS historical background	A public administration services delivery mechanism was first implemented in January 2004. The assessment took place nearly 6 month after its opening.
One Stop Shop performance index	3.3
Responsiveness	4.0
Transparency	3.8
Accountability	2.0

Administrative unit:	Commune
Commune name:	Binh Duong
District name:	Thran Binh
Province name:	Quang Nam
Social and economic characteristics	
Population	2433
Commune's distance from district's center (km)	19
Area description	Sandy costal
Regional highlights	The province of Quang Nam is situated in the center of Vietnam and it is streaked over an area of 10'750 sq km with the population of 1.3 million. The province crosses Vietnam, from the Lao border to the coastline. The main economic sectors are agriculture, fishery, raw material, minerals, oil and some basic industry (textile). The all area is exposed to flood, draught and storm in the typhoons' seasons. Quang Nam province is located in the 4° quintile in the Vietnamese provincial poverty index (5° is the poorest). The district of Thran Binh is on the coast and mainly inhabited by fishermen
Commune's poverty rate	31.6
Ethnic minority area	No
Interviewees	
Persons interviewed	<ul style="list-style-type: none"> ▪ Commune People Committee Chairman ▪ Commune People Committee Vice Chairman ▪ District People Committee Vice Chairman

- Head of Department of Home Affairs
- Commune administrator
- Commune employee of functional department in charge of land affairs
- Commune employee of justice functional department
- Seven clients

One Stop Shop - fact sheet

OSS historical background The OSS was opened in May 2002.

One Stop Shop performance index **3.3**

Responsiveness 3.5

Transparency 3.8

Accountability 2.5

Administrative unit: Commune
 Commune name: Tam Phuoc
 District name: Tam Ky
 Province name: Quang Nam

Social and economic characteristics

Population 7980

Commune's distance from district's
 center (km) 13

Area description Rural

Regional highlights	<p>The province of Quang Nam is situated in the center of Vietnam and it is streaked over an area of 10'750 sq km with the population of 1.3 million. The province crosses Vietnam, from the Lao border to the coastline. The main economic sectors are agriculture, fishery, raw material, minerals, oil and some basic industry (textile). The all area is exposed to flood, draught and storm in the typhoons' seasons. Quang Nam province is located in the 4° quintile in the Vietnamese provincial poverty index (5° is the poorest). Tam Phuoc commune is located on the coast line.</p>
Commune's poverty rate	16,76%
Ethnic minority area	No
Interviewees	
Persons interviewed	<ul style="list-style-type: none"> ▪ Commune People Committee Vice Chairman ▪ District People Committee Vice Chairman ▪ District People Committee Vice Chairman ▪ Head and vice head of Department of Home Affairs ▪ Commune administrator ▪ Commune employee of functional department in charge of social services ▪ Commune employee of functional department in charge of land affairs ▪ Commune employee of justice functional department ▪ Six clients
One Stop Shop - fact sheet	
OSS historical background	The OSS opened in October 2003
One Stop Shop performance index	3.1
Responsiveness	2.5
Transparency	4.3

Accountability	2.5
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Administrative unit:	Commune
Commune name:	Mong Tho B
District name:	Chau Thanh
Province name:	Kien Giang
Social and economic characteristics	
Population	21 058
Commune's distance from district's center (km)	14
Area description	Rural lowland
Regional highlights	<p>Southern part of the country. Kien Giang is located in the Mekong River Delta and in its northern part, it borders with Cambodia. It has over 80 km of coastline in the Gulf of Thailand. It has a population of over 1.5 millions of people and its area is 6,200 sq km.</p> <p>The main economic activities are fishing and rice farming.</p> <p>Kien Giang province is located in the 2° quintile in the Vietnamese provincial poverty index (5° is the poorest).</p> <p>The commune of Chau Thanh is mainly made of farmers and fishermen.</p>
Commune's poverty rate	16,97%
Ethnic minority area	8% of Khmer people and 2% of Hoa people
Interviewees	

Persons interviewed	<ul style="list-style-type: none"> ▪ Commune People Committee Chairman ▪ Commune People Committee Vice Chairman ▪ District People Committee Chairman ▪ District People Committee Vice Chairman ▪ Head of Department of Home Affairs ▪ Commune administrator ▪ Commune employee of functional department in charge of land affairs ▪ Commune employee of justice functional department ▪ Five clients
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One Stop Shop - fact sheet

OSS historical background The OSS was set up in January 2005

One Stop Shop performance index **3.1**

Responsiveness	2.5
Transparency	4.8
Accountability	2.0

<i>Administrative unit:</i>	Commune
Commune name:	Mong Tho A
District name:	Chau Thanh
Province name:	Kien Giang

Social and economic characteristics

Population 10 026

Commune's distance from district's center (km)	18
Area description	Rural lowland
Regional highlights	<p>Southern part of the country. Kien Giang is located in the Mekong River Delta and in its northern part, it borders with Cambodia. It has over 80 km of coastline in the Gulf of Thailand. It has a population of over 1.5 millions of people and its area is 6,269 sq km.</p> <p>The main economic activities are fishing and rice farming.</p> <p>Kien Giang province is located in the 2° quintile in the Vietnamese provincial poverty index (5° is the poorest).</p>
Commune's poverty rate	17,46%
Ethnic minority area	0.5% Khmer people
Interviewees	
Persons interviewed	<ul style="list-style-type: none"> ▪ Commune People Committee Chairman ▪ District People Committee Chairman ▪ District People Committee Vice Chairman ▪ Commune administrator ▪ Commune employee of functional department in charge of land affairs ▪ Commune employee of justice functional department ▪ Commune employee in charge of financial affairs ▪ Five clients
One Stop Shop - fact sheet	
OSS historical background	The OSS was launched in January 2004
One Stop Shop performance index	
Responsiveness	2.9
	3.0

Transparency	3.8
Accountability	2.0

Administrative unit:	Commune
Commune name:	Vinh Thanh Van
District name:	Rach Gia Town
Province name:	Kien Giang
Social and economic characteristics	
Population	15399
Commune's distance from district's center (km)	200
Area description	Urban costal
Regional highlights	<p>Southern part of the country. Kien Giang is located in the Mekong River Delta and in its northern part, it borders with Cambodia. It has over 80 km of coastline in the Gulf of Thailand. It has a population of over 1.5 millions of people and its area is 6,200 sq km.</p> <p>The main economic activities are fishing and rice farming.</p> <p>Kien Giang province is located in the 2^o quintile in the Vietnamese provincial poverty index (5^o is the poorest).</p>
Commune's poverty rate	11,98%
Ethnic minority area	No
Interviewees	
Persons interviewed	<ul style="list-style-type: none"> ▪ Commune People Committee Chairman

- District People Committee Chairman
- District People Committee Vice Chairman
- Commune administrator
- Commune employee of functional department in charge of land affairs
- Commune employee of justice functional department
- Commune employee in charge of financial affairs
- Six clients

One Stop Shop - fact sheet

OSS historical background

The OSS was opened in December 2001

One Stop Shop performance index

	3.4
Responsiveness	3.5
Transparency	4.3
Accountability	2.5

Administrative unit:

	Commune
Commune name:	My Hoa
District name:	Cau N Gang
Province name:	Tra Vinh

Social and economic characteristics

Population	9097
Commune's distance from district's center (km)	1,5

Area description	Low land and costal
Regional highlights	Tra Vinh Province is situated in the southern plain region of the Mekong Delta. It has an area of 2 300 sq km and a population of 989 000. Its main economic activities are rice farming and fishery. Tra Vinh province is located in the 3° quintile in the Vietnamese provincial poverty index (5° is the poorest).
Commune's poverty rate	38,20%
Ethnic minority area	35% of Khmer people
Interviewees	
Persons interviewed	<ul style="list-style-type: none"> ▪ Commune People Committee Chairman ▪ District People Committee Chairman ▪ District People Committee Vice Chairman ▪ Head of Department of Home Affairs ▪ Commune administrator ▪ Commune employee of justice functional department ▪ Commune employee in charge of financial affairs ▪ Five clients
One Stop Shop - fact sheet	
OSS historical background	The first delivery mechanisms was implemented in May 1999
One Stop Shop performance index	
Responsiveness	4.5
Transparency	7.0
Accountability	5.0
	1.5

Administrative unit:	Commune
Commune name:	My Long Bac
District name:	Cau N Gang
Province name:	Tra Vinh
Social and economic characteristics	
Population	8036
Commune's distance from district's center (km)	8
Area description	Lowland
Regional highlights	<p>Tra Vinh Province is situated in the southern plain region of the Mekong Delta. It has an area of 2 300 sq km and a population of 989 000.</p> <p>Its main economic activities are rice farming and fishery.</p> <p>Tra Vinh province is located in the 3^o quintile in the Vietnamese provincial poverty index (5^o is the poorest).</p> <p>The commune of My Long Bac is situated in the district of Cau N Gang which is not on the coast.</p>
Commune's poverty rate	14,89%
Ethnic minority area	No
Interviewees	
Persons interviewed	<ul style="list-style-type: none"> ▪ Commune People Committee Chairman ▪ Commune People Committee Vice Chairman ▪ District People Committee Chairman ▪ Head of Department of Home Affairs

- Commune administrator
- Commune employee of justice functional department
- Commune employee in charge of financial affairs
- Four clients

One Stop Shop - fact sheet

OSS historical background

The delivery mechanisms was launched in May 1999

One Stop Shop performance index

	3.3
Responsiveness	4.5
Transparency	3.3
Accountability	2.0

Administrative unit:

	Commune
Commune name:	Quynh Luu
District name:	Nho Quan
Province name:	Ninh Binh

Social and economic characteristics

Population	8130
Commune's distance from district's center (km)	12
Area description	Rural mountainous

Regional highlights	<p>Ninh Binh province is situated to the South of the Red River Delta, between the Red and Ma rivers. The province area is 1 300 sq km and its population is 890 000. The main economic activities of the province are rice farming, limestone extraction and processing and marine resources.</p> <p>Ninh Binh province is located in the 3° quintile in the Vietnamese provincial poverty index (5° is the poorest).</p>
Commune's poverty rate	19,46%
Ethnic minority area	0,4 Muong people
Interviewees	
Persons interviewed	<ul style="list-style-type: none"> ▪ Commune People Committee Chairman ▪ Commune People Committee Vice Chairman ▪ District People Committee Chairman ▪ Head of Department of Home Affairs ▪ Commune administrator ▪ Commune employee of justice functional department ▪ Commune employee in charge of social affairs ▪ Five clients
One Stop Shop - fact sheet	
OSS historical background	The OSS opened in January 2000
One Stop Shop performance index	3.9
Responsiveness	5.5
Transparency	3.8
Accountability	2.5

Administrative unit:	Commune
Commune name:	Cuc Phuong
District name:	Nho Quan
Province name:	Ninh Binh
Social and economic characteristics	
Population	2786
Commune's distance from district's center (km)	10
Area description	Rural mountainous
Regional highlights	Ninh Binh province is situated to the South of the Red River Delta, between the Red and Ma rivers. The province area is 1 300 sq km and its population is 890 000. The main economic activities of the province are rice farming, limestone extraction and processing and marine resources. Ninh Binh province is located in the 3 ^o quintile in the Vietnamese provincial poverty index (5 ^o is the poorest).
Commune's poverty rate	24%
Ethnic minority area	96% Muong
Interviewees	
Persons interviewed	<ul style="list-style-type: none"> ▪ Commune People Committee Chairman ▪ District People Committee Chairman ▪ Head of Department of Home Affairs ▪ Commune administrator ▪ Commune employee of justice functional department ▪ Commune employee of land administration affairs ▪ Six clients

One Stop Shop - fact sheet

OSS historical background The OSS first opened in 2001

One Stop Shop performance index 4.5

Responsiveness 7.0

Transparency 4.0

Accountability 2.5

Administrative unit: Commune

Commune name: Vinh Trung

District name: Thanh Khe

Province name: Da Nang

Social and economic characteristics

Population 19 997

Commune's distance from district's center 2
(km)

Area description Urban

Regional highlights Da Nang is a province situated in the South Central coast of Vietnam. It is one of the five first level municipalities in Vietnam and as such it is considered as a province. It is located in the first quintile of the provincial poverty index (5^o is the poorest). It has a population of 780 000 and its area is 1 250 sq km. Its main economic activities are agriculture, marine products, manufacturing (i.e.: furniture) and industries services (i.e.: harbor)

Commune's poverty rate	1.1%
Ethnic minority area	No
Interviewees	
Persons interviewed	<ul style="list-style-type: none"> ▪ Commune People Committee Chairman ▪ District People Committee Chairman ▪ Head of Department of Home Affairs ▪ Commune administrator ▪ Commune employee of justice functional department ▪ Commune employee of social services department ▪ Four clients
One Stop Shop - fact sheet	
OSS historical background	The OSS opened in January 2001
One Stop Shop performance index	
Responsiveness	4.5
Transparency	3.3
Accountability	3.0

Administrative unit:	Commune
Commune name:	Thuan Phuoc
District name:	Hai Chau
Province name:	Da Nang

Social and economic characteristics

Population 18 374

Commune's distance from district's center (km) 3

Area description Urban

Regional highlights Da Nang is a province situated in the South Central cost of Vietnam. It is one the five first level municipalities in Vietnam and as such it is considered as a province. It is located in the first quintile of the provincial poverty index (5° is the poorest). It has a population of 780 000 and it area is 1 250 sq km. Its main economic activities are agriculture, marine products, manufacturing (i.e.: furniture) and industries services (i.e.: harbor)

Commune's poverty rate 1,45%

Ethnic minority area No

Interviewees

Persons interviewed

- Commune People Committee Chairman
- Commune People Committee Vice Chairman
- District People Committee Chairman
- Vice Head of Department of Home Affairs
- Commune administrator
- Commune employee of justice functional department
- Commune employee of land administration affairs
- Six clients

One Stop Shop - fact sheet

OSS historical background The OSS opened in July 2001

<i>One Stop Shop performance index</i>	3.5
Responsiveness	4.5
Transparency	3.5
Accountability	2.5

<i>Administrative unit:</i>	Commune
Commune name:	Doi Can
District name:	Doi Can
Province name:	Hanoi
<i>Social and economic characteristics</i>	
Population	17 850
Commune's distance from district's center (km)	
Area description	Urban
Regional highlights	Capital of Vietnam. It is one the five first level municipalities in Vietnam and as such it is considered as a province. It is located in the first quintile of the provincial poverty index (5° is the poorest).
Commune's poverty rate	1.2 %
Ethnic minority area	No

Interviewees

Persons interviewed	<ul style="list-style-type: none"> ▪ Commune People Committee Chairman ▪ Commune People Committee Vice Chairman ▪ District People Committee Chairman ▪ Vice Head of Department of Home Affairs ▪ Commune administrator ▪ Commune employee of justice functional department ▪ Commune employee of land administration affairs ▪ Six clients
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One Stop Shop - fact sheet

OSS historical background

The delivery mechanisms was launched in May 2003

One Stop Shop performance index**4.4**

Responsiveness	5.0
Transparency	6.3
Accountability	2.0

Administrative unit:

Commune

Commune name:	Ward 2
District name:	Doi Can
Province name:	Hanoi

Social and economic characteristics

Population	8 900
Commune's distance from district's center	1.2

(km)	
Area description	Urban
Regional highlights	Capital of Vietnam. It is one the five first level municipalities in Vietnam and as such it is considered as a province. It is located in the first quintile of the provincial poverty index (5° is the poorest).
Commune's poverty rate	0.2 %
Ethnic minority area	No
Interviewees	
Persons interviewed	<ul style="list-style-type: none"> ▪ Commune People Committee Chairman ▪ Commune People Committee Vice Chairman ▪ District People Committee Chairman ▪ Vice Head of Department of Home Affairs ▪ Commune administrator ▪ Commune employee of justice functional department ▪ Commune employee of land administration affairs ▪ Six clients
One Stop Shop - fact sheet	The delivery mechanisms was launched in July 2004
One Stop Shop performance index	4.6
Responsiveness	6.0
Transparency	5.3
Accountability	2.5

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