

Discussion on Several Issues of Country Economic Development

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ABSTRACT

The purpose of this paper is to present Analysis of Views on Several Issues of Country (Vietnam) Economic Development.

Moreover, Cung, N.H (2019) stated that GDP growth rate indicates the size of economy in the future. In fact, economic growth is an annual achievement of the government as an indicator to evaluate the efficiency of operating the economy by the People.

This paper uses description, qualitative analysis including synthesis and inductive methods in this paper. Authors analyzed previous related studies as well. Then this study also uses observations and dialectical methods.

Our findings show that there are threats and opportunities for domestic economy such as: Attracting FDI capital grew positively as cumulatively until March 20, total registered FDI capital in Vietnam was estimated at 6.17 billion USD, up 13.4% over the same period.

Interest rates continue to decrease, contributing to supporting people, businesses and economic growth; Credit is growing again; promoting cycle economy, green economy, energy conversion, regional and cluster industries.

Keywords: Economic development; Ideology; Balance; Growth; Green economy; Energy conversion; Regional and cluster industries.

1. Introduction

First, Hoang et al (2010) stated that “the achievement of economic growth shows the development potential and the strength trend of an economy, especially, for developing countries”. High and sustainable economic growth is considered an achievement and a central theme in many economies both developed and developing Countries.

Second, Credit growth this year will likely only reach approximately 11%, much lower than the State Bank's 14%. According to this possibility, the growth rate of money supply will also be close to the above level. Credit growth and money supply growth are closely related, especially for the Vietnamese economy. For an economy that depends heavily on the banking system like Vietnam, credit growth directly affects the annual money supply level.

The relationship between the commodity market and the money market is represented through the classic formula $M.V=P.Y$ that any economics student must learn.

In this formula, the money supply (M) multiplied by the money turnover (V) will be equivalent to the general price index and the volume of economic production products, i.e. the economy's GDP. That is, if an economy has a scale of 300 billion USD and a money turnover of 2.0, it means that to operate the economy, we will need a money supply of 150 billion USD.

However, when applying the above macro data of the Vietnamese economy into the above formula, the difference between the annual growth of money supply into the economy will always be a stable difference of 3-4% compared to total economic growth and inflation over a long period of time. This implies an important assumption that every year there is always a significant amount of money supply injected into the economy without creating a corresponding added value in GDP and also without creating pressure on inflation (source: vietstock.vn).

Hence authors choose this research topic:

“Discussion on Several Issues of Country (Vietnam) Economic Development”.

2. Previous Studies

We look at below table:

Table 1. Summary of previous studies

Authors	Year	Content, results
Phu Hop Mai, et al.	2013	The research with the introduction of Vietnamese economy achievements since Government implemented the reforms for the removal of the Centrally Planned Economy into the market economy so that legal system is improved to attract the investment as well as the support of the international community.
Nguyen Huu Cung, Do Hai Hung	2020	The effectiveness of savings investment and labor force (including Foreign investment and aid) is central to promoting economic growth while other factors play a certain role in economic growth such as geographic location, natural features, natural resources, economic and political stability, educational and medical capacity, policy institution. The purpose of this study is to analyze the impact of labor force and several other factors on economic growth in Vietnam.
Thoa, Thanh, Chuc & Lindholm	2021	Throughout the recent twenty years, the reforms have led to notable improvements in nearly all sectors of the economy, agricultural development, domestic market and foreign trade. Before doi moi adoption, the mechanism of central planning gave only weak motives and restricted opportunities for public to utilize capabilities and thus to expand their choices. Doi moi however, showed massive achievements by promoting a more open market and market-oriented economy. This further helped in advancing and expanding public services (2021). The economy improved both in size and quality as a result of these reforms.

<p>Nguyen, NS</p>	<p>2021</p>	<p>After more than 35 years since the Economic Reform in 1986, Vietnam has been one of the countries experiencing high economic growth rate in the region and in the world. However, Vietnam's economic growth is still largely dependent on resource-intensive factors, by which the growth quality has not been taken into consideration seriously. Vietnam has entered a new era of development from 2021 to 2030 as a lower-middle income country and faced challenges of strategies implementation for catching-up as well as overcoming the middle-income trap.</p>
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(SOURCE: Author Synthesis).

3. Methodology

Authors use description, qualitative analysis including synthesis and inductive methods in this paper. Authors analyzed previous related studies as well. Then this study also uses observations and dialectical methods.

4. Main Findings

4.1. Analysis of Contemporary Development of National Economy

We conduct SWOT analysis for economy as follows:

Table 2. SWOT

<p>Strengths</p> <ul style="list-style-type: none"> - In 2022, GDP growth in the first quarter is 5.05%, in the second quarter: 7.83%, in the third quarter: 13.71% and in the fourth quarter: 5.92%; for the whole year is 8.02%, much higher than the set target of 6.0-6.5% as well as the reality over the past many years and even higher than in 2021 (2.58%). - Inflation is only 3.15%, significantly lower than the target of 4% (in 2023 the target is 4.5%). 	<p>Opportunities</p> <p>In 2024: Attracting FDI capital grew positively as cumulatively until March 20, total registered FDI capital in Vietnam was estimated at 6.17 billion USD, up 13.4% over the same period;</p> <p>Interest rates continue to decrease, contributing to supporting people, businesses and economic growth; Credit is growing again;</p> <ul style="list-style-type: none"> - Promoting cycle economy, green economy, energy conversion, regional and cluster industries.
<p>Weaknesses</p> <ul style="list-style-type: none"> - Just recover from Covid 19. 	<p>Threats</p> <ul style="list-style-type: none"> - Risks from high tech, internet crimes.

<ul style="list-style-type: none"> - Obstacles from laws still exist. - Real estate market lack of supports. 	<ul style="list-style-type: none"> - Cybersecurity risks. - Risks from crimes in international economy, education - Risks for data safety.
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(SOURCE: Author Analysis).

Besides, Pham Anh Dung et al (2023) also mentioned opportunities in agricultural cooperation and development between Asian countries such as Thailand, China.

4.2. Ho Chi Minh Ideology on National Economic Development

The economic development perspective must be associated with the implementation of political tasks, social, cultural and ethical progress.

Linking economics with politics, society, culture and human ethics is one of the very basic viewpoints of Ho Chi Minh's economic thought. Politics directs the economy, and economic development will strengthen a sustainable political foundation. But economic development can also lead to disruption, causing an imbalance between economy and culture, economy and social-moral progress, economy and natural environment, etc. Ho Chi Minh was very sensitive to these issues, so in directing economic development, he did not only speak on one side and emphasize one direction, but always combined them to create harmonious economic development with social progress and human morality.

Ho Chi Minh pointed out that in the process of building the country, the four issues of politics, economics, culture and society must be paid attention and given equal importance, in which "culture must practically serve the people, contribute Participate in improving the joyful and healthy lives of the masses..., cultural content must have educational significance... Culture must be associated with labor and production". According to him: "Culture and art, like all other activities, cannot stand outside, but must be in economics and politics".

President Ho Chi Minh was very aware: strengthening cultural construction is to carry out the basic task of economic development. Building the country's economic development depends greatly on building culture to create strong spiritual motivation. The writer: "Improving the people's cultural level will help us promote economic recovery and democratic development... which is also necessary to build our country into a peaceful and unified country, independent, democratic and strong". At the same time, also in his opinion, on the one hand, economic development is the foundation for building culture, but on the other hand, culture has its relative independence. Culture does not depend mechanically on material living conditions and living standards, but sometimes the ideological and cultural revolution must go one step ahead to pave the way for the industrial revolution, in the spirit of culture and light the way for the nation.

Entering the construction of socialism, production becomes the most important political task, so everything serves production. At the same time, he also believed that each person needs to clearly realize: "Labor is a sacred duty of every citizen to the Fatherland. Everyone must, depending on their ability, voluntarily participate in labor and

contribute to the Fatherland part of building the country". According to Ho Chi Minh, contributing to the development of production must become a measure of each person's morality and revolutionary will, and he requested to "resolutely fight against the disease of empty talk, the habit of showing off formalities, and improper ways of working aimed at improving production". Along with that, President Ho Chi Minh had the view to enhance the collective spirit and fight against individualism. However, he said: "If those personal interests do not contradict the interests of the collective, then must be bad. The common interests of the collective must be guaranteed by the individual's own interests to be satisfied" (source: Ho Chi Minh Complete Works, volume 11, p. 610. The article Revolutionary Ethics was published in Learning Magazine No. 12, 1958).

Thereby, we see that Ho Chi Minh paid close attention to the role of the benefit factor in the economy, and at the same time always used the ethics of the collective owner to promptly adjust conflicts of interest, creating combination, harmonize common interests and private interests, so that the state, cooperatives and cooperative members all benefit.

Moreover, the perspective of building an independent and self-reliant economy simultaneously with expanding and improving the effectiveness of international cooperation. Expanding international cooperation in construction and economic development is a great and consistent ideology of Ho Chi Minh. He said: "common progress depends on the development of internationalism; and civilization is only beneficial when international relations are expanded and strengthened" (source: Ho Chi Minh: Complete works, volume 1, p. 14. The issue of indigenous people, L'Humanité Newspaper, August 2, 1919).

After the August Revolution, the viewpoint of international economic cooperation was again affirmed by Ho Chi Minh: The State of the Democratic Republic of Vietnam "will stand with all friendly countries" and "will trade with All countries in the world want to trade with Vietnam honestly".

As early as December 1946, in his appeal to the United Nations, he declared the open-door policy of the State of the Democratic Republic of Vietnam in all fields in general and the economy in particular. Accordingly, with democratic countries, Vietnam is ready to implement an open-door policy and cooperate in all fields: "Vietnam offers favorable reception for investment from capitalists and technicians, foreign countries in all its industries; Vietnam is ready to expand its ports, airports and roads for international trade and transit; international economic cooperation under the leadership of the United Nations..." (source: Ho Chi Minh: Complete works, volume 4, p. 523 Appeal to the United Nations).

The viewpoint of promoting the spirit of independence, self-reliance, self-reliance, combined with expanding international cooperation was always thoroughly grasped and persistently implemented by Ho Chi Minh throughout the process of him and the Party Central Committee leading the cause. According to Ho Chi Minh, international economic cooperation includes broad contents and must be oriented to comply with certain principles.

5. Discussion and Conclusion

Besides, According to President Ho Chi Minh, economic growth is the foundation and purpose of socialism; "Socialism is about constantly improving people's living standards". He emphasized: "Socialism first of all aims to

help working people escape poverty, to help everyone have jobs, be prosperous and live a happy life". Setting the goal of economic development alongside the goal of realizing social justice in the process of building socialism clearly demonstrates President Ho Chi Minh's stance, not for the sake of economic development but accepting the injustice in society. According to him, "If we want to advance to socialism, we must transform the old society into a new society, a society without the regime of exploiting others, an egalitarian society meaning that everyone must work and have Labor rights: those who work more will enjoy more, those who work less will enjoy less, those who do not work will not enjoy". This is the principle of fair distribution, stimulating people to enthusiastically participate in economic activities and contribute to the country's development. Each person has his or her own personality and strengths. Thanks to the established principle of fairness, people are motivated to develop their own abilities to the fullest, so that "everyone can devote all their talents to the cause". Social justice creates conditions for all members of society to constantly improve their living standards and assert themselves. People enthusiastically invest in the economy, bringing wealth to themselves, their families and the entire society (source: Ho Chi Minh: Complete works, Publishing House. National politics Truth, Hanoi, 2011, vol.10-11, p. 15, p. 224, p. 604, 415, 466-467, p. 241, 242).

Declarations

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Competing Interests Statement

The authors declare no competing financial, professional, or personal interests.

Consent for publication

The authors declare that they consented to the publication of this study.

Authors' contributions

All the authors took part in literature review, analysis and manuscript writing equally.

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